

Lebanese Forces Sweep West Beirut To Regain Control

BEIRUT — The Lebanese Army, backed by tanks, artillery and machine guns, swept through West Beirut on Wednesday, seizing key neighborhoods from leftist Druze and Shiite Muslim militias.

The official Beirut radio said the army had restored government control to virtually all of the city's Muslim sector.

With his army pursuing the gun- en, President Amin Gemayel offered his political adversaries a "national reconciliation dialogue" designed to "chart Lebanon's future within the framework of territorial integrity and total sovereignty."

But Walid Jumblatt, the Druze Muslim leader whose militia battled the army alongside Shiite Muslims, rejected the offer and called on all other Lebanese politicians to do the same.

"It is treachery," Mr. Jumblatt said in a statement issued in Damascus. "On the one hand, they send their army to kill and butcher the Muslims of West Beirut, and on the other, they invite us for a dialogue just to fool our people and public opinion."

There was no immediate comment from any other of the 11 politicians invited to join the dialogue.

The three U.S.-trained brigades of about 10,000 men began before dawn, pushing slowly westward from the old Green Line that divides the city between Muslim and Christian halves.

Their M-48 tanks and armored personnel carriers advanced in short bursts with tank cannons and machine guns firing. As each block or two was taken, soldiers searched nearby buildings, flushing out militiamen with small arms fire.

The militiamen fired back with automatic rifles and rocket-propelled grenades.

By late afternoon, the army was in control of nearly all of West Beirut. The state radio said the army held the coastal corridor from the Old Souk in the eastern section to the Bain Mahrat Beach on the western tip. The radio warned residents to stay indoors.

The police said that 24 persons were killed, including six Lebanese soldiers, and 49 were wounded.

This brought the total casualty toll in the fighting that began Sunday to 79 killed, including two U.S. Marines, five Frenchmen and 27 Lebanese soldiers, plus 326 wounded, including 14 American marines, seven French troops, three Italians and 89 Lebanese soldiers.

Beirut hospitals reported that ambulances were bringing in wounded at the rate of three or four a minute at the height of the fighting.

The army announced that its troops had captured 50 militiamen, including seven Palestinians and four Syrians.

As nightfall approached, narrow streets in the Hamra district of West Beirut echoed with the sporadic crackle of rifle fire as troops flushed out militiamen hidden in apartment buildings.

Lebanese leaders blamed the Syrian Army and Druze militia batteries in Syrian-occupied territory in the mountains to the north and east for the heavy artillery bombardment that shook West Beirut for about 90 minutes Wednesday afternoon.

But it was apparent that at least some of the shells were fired by Lebanese Army tanks and mortars in support of infantry.

More than 15 shells hit the area around the Commodore Hotel, where most reporters were staying.

About 150 reporters and other guests scurried into the hotel basement when one shell hit the eastern side of the hotel, destroying several empty rooms. It caused no casualties. Other shells hit adjacent buildings, or fell into the street on either side.

Senior Lebanese officials were said to be pleased by the performance of the army in West Beirut and were optimistic that the Christian-led but largely Muslim military would be able to move into the contested central mountains and restore control after the Israeli leave.

"This is work done by the Lebanese Army itself without any assistance from the Marines or from any foreign contingent," said Abdullah Abu Habib, Lebanon's ambassador to the United States.



A Lebanese soldier fired a machine gun on Wednesday from his armored personnel carrier across from the Ministry of the Mediterranean.

Reagan's Lebanon Dilemma: Step-Up or Pullout?

By John M. Goshko
Washington Post Service

WASHINGTON — With Lebanon again on the brink of full-scale civil war, President Ronald Reagan may soon have to choose between the politically risky step of increasing the number of Marines or abandoning U.S. attempts to help restore peace there.

A year ago Mr. Reagan decided to use the Marines as the cutting edge of a U.S. strategy to shore up the authority of President Amin Gemayel's government and prevent the country from being dismembered into enclaves controlled by Israeli and Syrian occupying armies and feuding Lebanese factions.

Now, however, this strategy is in danger of being engulfed by the renewed fighting that has swept through Beirut and the nearby Chuf mountains this week. The Marines and others making up the

multinational force have neither the numbers nor the mandate necessary to control the situation, and the administration is coming under heavy pressure from the Lebanese government to try to restore the balance by expanding the size, scope and responsibilities of the international force, including its U.S. component.

The Reagan administration has been extremely reluctant to do this. Sending more Marines could unleash a storm of public and congressional protests that Lebanon is becoming a new Vietnam and that the United States should avoid further involvement.

Administration officials are known to feel that, in the end, they could probably ride out the storm and get away with at least a modest increase in American involvement

in Lebanon. But senior officials said that it could be done only at the cost of a bruising and divisive national debate affecting Mr. Reagan's long-range strategy in the Middle East and other areas of potential military confrontation, such as Central America.

So far, the administration has chosen to seek no change in U.S. involvement, asserting instead that it believes that the current fighting can be resolved through diplomacy, such as the mediation among Lebanese factions now being attempted by Mr. Reagan's special Middle East envoy, Robert C. McFarlane.

That was the thrust of the letter Mr. Reagan sent to Congress Tuesday in hopes of staving off a debate that could lead to forced removal of the Marines under the War Powers Act. The White House, while saying the Marines would remain, made no mention of increasing their numbers and sought to minimize the situation.

Privately, though, many administration officials conceded that this was essentially a temporary position that contained much wishful thinking.

These officials said the chances for a durable cease-fire were very fragile. They expressed fear that the situation could deteriorate to the point at which the U.S., French, Italian and British units of the multinational force would be the only force capable of restoring order in Beirut.

What is more, they added, the international force will not be able to do the job unless it is made much larger and given a mandate to move from its present, essentially defensive positions into open confrontation with the various Lebanese militias. Otherwise, some of these officials predicted, the Gemayel government will be in peril of imminent collapse that would leave

(Continued on Page 2, Col. 5)

Police Break Up Demonstrations In 2 Polish Cities

WARSAW — Police used tear gas to break up demonstrations in Nowa Huta and Wroclaw Wednesday as Poles marked the third anniversary of agreements that gave birth to the free trade union Solidarity, official sources said.

In the Baltic port of Gdansk, where the 1980 agreements were signed, police supported by armored personnel carriers and water cannon sealed off a monument near the Lenin Shipyard, which has become a Solidarity symbol.

Karol Cwinnarowicz, a correspondent for Reuters, said police had allowed Lech Walesa, leader of the banned union, to go through a cordon to lay flowers at a union monument but held back 2,000 supporters who chanted "no freedom without Solidarity."

Water cannon and tear gas were used against 10,000 people who marched from the steelworks in Krakow's Nowa Huta suburb, the scene of frequent clashes.

In Wroclaw, tear gas was fired against a crowd trying to march to the grave of a young worker shot to death during demonstrations on Aug. 31 last year.

Workers poured out of the Lenin steelworks in Nowa Huta at the afternoon shift change and marched toward the city center, chanting pro-union slogans, a government spokesman said.

Riot police, wearing helmets and carrying plastic shields, blocked their path, firing tear gas and spraying them with water cannon, the spokesman said. He said the unrest was more severe than a riot there May 1. Witnesses said the demonstrators threw stones at police and streetcars.

A number of people were arrested and several were injured, the official said. Clashes reportedly continued into the evening.

In Gdansk, Mr. Walesa left his job at the Lenin Shipyard and gave a brief speech to 400 supporters near the union monument. Western reporters and a government spokesman there said. The text of his speech was not immediately available.

The monument and adjacent side streets were sealed off by police in full riot gear, and Mr. Walesa and his supporters moved to St. Brygidy's Church, the parish church.

Two thousand Solidarity backers gathered outside the church and marched with Mr. Walesa in the lead toward the shipyard at the time authorities had set for workers to lay flowers at the monument.

In Warsaw, hundreds of workers from the Huta Warszawa steelworks and a car factory heeded a call by the Solidarity underground to boycott public transportation, and marched toward the city center, 10 kilometers (six miles) away.

Helmeted police moved in to chase away several groups in the capital, some chanting Solidarity slogans, and witnesses said a number of people were detained.

The demonstrations were the first nationwide protests since the lifting of martial law July 22. However, the marches did not appear to be as widespread or as serious as the unrest that swept Poland after the December 1981 military crackdown.

■ **Pope Remembers Accords**

In Vatican City, Pope John Paul II described the 1980 Gdansk accords Wednesday as being "particularly important" and called for the application of the pact that opened the way for free labor organizations in his native Poland, The Associated Press reported.

■ **Reagan Statement**

President Ronald Reagan reiterated Wednesday a promise to ease sanctions against Poland if the Polish government "makes tangible progress" toward ending repressive measures against the Solidarity movement. United Press International reported from Santa Barbara, California.

In a statement commemorating the third anniversary of formation of Solidarity, Mr. Reagan said the Polish government "will have to recognize that Polish problems can be solved not by intimidation, but only on the basis of reconciliation with this proud and courageous people."



Yitzhak Shamir



David Levy

Begin's Party to Choose Between Shamir, Levy

By David K. Shipler
New York Times Service

JERUSALEM — A battle for the leadership of Prime Minister Menachem Begin's party, Herut, sharpened Wednesday as the two main contenders decided to throw their contest into a party vote Thursday.

As a result, strains in the six-party governing coalition appeared, leading politicians to predict difficulty in holding together the array of right-wing and religious factions that has kept Mr. Begin in power since 1977.

Foreign Minister Yitzhak Shamir, who is favored by the Herut cabinet ministers and the party's old guard, failed to persuade his younger colleague, Deputy Prime Minister David Levy, to stand aside for the sake of a quick transition. A third contender, former Defense Minister Ariel Sharon, bowed out, announcing his support for the 58-year-old Mr. Shamir.

But Mr. Levy, who is 45 and has a large following among the party's rank and file, insisted that the choice of a successor to Mr. Begin be submitted Thursday to the Herut's 900-member central committee.

The other seven Herut ministers had hoped to circumvent the committee, in effect, by presenting Mr. Shamir for ratification as the only candidate.

Mr. Begin apparently remained aloof from the political infighting. After telling his political colleagues Tuesday that he was determined to go ahead with his resignation, he agreed to wait a few days before

Shultz Says Marine Role Will Continue in Beirut

By John M. Goshko
and Helen Dewar
Washington Post Service

WASHINGTON — Secretary of State George P. Shultz said Wednesday that the administration does not plan to expand the size or mission of the U.S. Marine force in Beirut because the Lebanese government appears able to control the violence there.

Mr. Shultz also acknowledged that the Marines are in an area where "there has been a renewed outbreak of violence." But he turned aside questions about whether the situation requires a congressional review, under the War Powers Resolution, of whether the troops should be kept in Beirut.

Since Monday, when the animosities between Lebanon's Muslims and Christians erupted into violent new fighting, Mr. Shultz had stayed in the background while the White House handled administration statements on the situation from President Ronald Reagan's vacation headquarters in Santa Barbara, California.

But in a news conference Tuesday, Mr. Shultz took over as principal administration spokesman, reiterating U.S. support for President Amin Gemayel's government while seeking simultaneously to assure

the public and Congress that this support is not expected to require the dispatch of more U.S. Marines into life-threatening hostilities.

Mr. Shultz asserted repeatedly that Mr. Reagan has been complying with provisions of the War Powers Resolution, which requires him to keep Congress informed. When reporters asked about another provision barring the president from keeping forces abroad in hostile situations for more than 60 days unless Congress gives permission, Mr. Shultz took refuge in legal ambiguities about the meaning of the act.

His responses appeared to be an attempt to shut aside calls from some members of Congress, who were joined Tuesday by the Senate Democratic leader, Robert C. Byrd of West Virginia, for Mr. Reagan to seek congressional authorization.

In the meantime, as Mr. Shultz made clear Wednesday, the administration is counting on the hope that the Lebanese Army will be able to quell the fighting in Beirut and make moot the question of whether the Marines, who suffered two deaths Monday, are involved in hostilities.

■ **Kremlin Assails U.S. Role**

Meanwhile, Doko Doder of the Washington Post reported from Moscow.

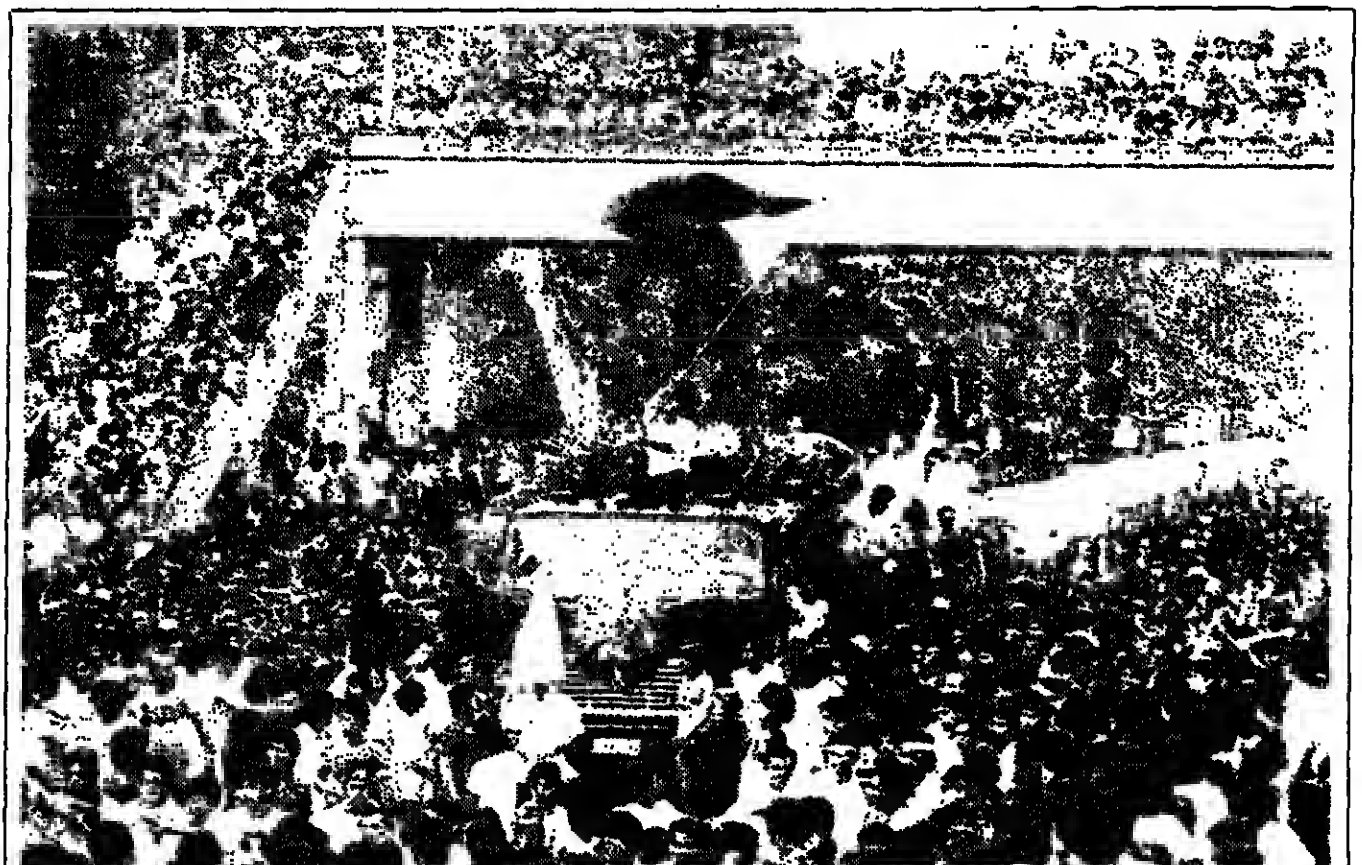
The Soviet Union accused the United States on Wednesday night of "gross intervention" in the internal affairs of Lebanon involving U.S. artillery and helicopter strikes at "areas inhabited by the Moslem population."

A statement by Tass said that Moscow was not indifferent to developments in and around Lebanon. It described as "phony" American statements that U.S. peacekeeping forces in Beirut returned fire at gunmen after their position came under heavy attack.

"The Soviet Union is deeply worried by U.S. armed intervention in Lebanon," Tass said. "It is aggravating even further the situation in that country and creating a fresh threat to peace in the Middle East."

"This armed intervention by the United States must be ended. Israel must withdraw from the country without any preconditions infringing upon the independence and sovereignty of Lebanon."

It was the first authoritative Soviet statement on Lebanon this year. It was issued a day after the official resignation of Prime Minister Menachem Begin of Israel, and as such appeared to be Moscow's attempt to take best advantage of the political crisis in Israel.



FAREWELL TO AQUINO — Crowds filled the streets of Manila on Wednesday as a truck carried the coffin of Benigno S. Aquino Jr. from a church to a cemetery. Mr. Aquino, an opposition political leader, was assassinated Aug. 21 as he returned to the Philippines following three years of self-imposed exile in the United States. Page 5.

6 Airmen in Zimbabwe Acquired, Arrested Again

By Glen Frankel
Washington Post Service

HARARE, Zimbabwe — Six white air force officers were acquitted Wednesday of charges that they plotted to blow up 13 Zimbabwean airplanes last year, but they were immediately rearrested and returned to prison.

The move appeared certain to exacerbate tensions between the black-ruled government of Prime Minister Robert Mugabe and the white minority here, as well as worsen relations with the United States and Great Britain, which are Zimbabwe's two largest donors of foreign aid.

The six senior officers, jailed for the last 13 months, were acquitted by a judge who ruled their confessions, the main evidence against them, were obtained through torture, beatings and intimidation. Judge Enoch Dumbutshena, the first black jurist appointed by the newly independent government in 1980, also ruled that the defendants had been denied access to their lawyers until after their confessions, which the six later repudiated.

The officers were permitted about 20 minutes with their relatives in the courtroom before being taken to a basement room where they were told they would receive their release papers.

But once downstairs, a dozen police officers filled the room and the six were each presented with papers signed by the home affairs minister, Herbert Ushewokunze, detaining them indefinitely. They were then handcuffed and led to a holding cell past a crowd of stunned and fearful relatives and supporters, some of whom shouted "black bastards" at the police.

The six were arrested Wednesday under the state emergency powers act inherited from the former white-minority government of Ian Smith. The act empowers officials to imprison indefinitely and without trial any persons considered a threat to state security.

The government has seven days under the law to issue a formal statement of the reasons for the return to detention. Mr. Ushewokunze's written orders Wednesday said only that "it appears to be expedient, in the interests of public

safety and public order" to detain the officers again.

Both Mr. Ushewokunze and Mr. Mugabe had given strong indications in recent interviews that the airmen would be arrested again if they were acquitted for what Mr. Mugabe called "technical reasons."

Mr. Mugabe had hinted that he was convinced from the evidence that the officers had abetted the airplane sabotage despite police misconduct in obtaining confessions.

Nine jet planes were destroyed and four others sustained major damage in the explosion July 25, 1982, at the Thornhill air base in central Zimbabwe. The state charged that the six airmen, all of whom had served in the former Rhodesian Air Force, had plotted the explosion and abetted three unidentified saboteurs from South Africa. Nearly half the air force's combat strength was destroyed or damaged, at a cost of nearly \$9 million.

The case attracted international attention when five of the airmen, all of whom pleaded not guilty, charged they had been tortured by electric shock or beaten into con-

fessions last August and September by police.

The judge said he found the defendants' accounts "credible," while he called testimony from some prosecution witnesses "more than suspect."

The airmen now join 49 other persons that the government says it has detained indefinitely as threats to state security. Other independent sources, including some church organizations, contend there are several hundred detainees.

Both U.S. and British diplomats had entreated government officials privately in recent weeks to allow the airmen to go free if acquitted. The United States has provided more than \$200 million in aid in the years since independence and Britain has provided \$180 million.

Four of the air force officers hold dual Zimbabwean-British citizenship, and Prime Minister Margaret Thatcher of Britain is expected to strongly condemn Wednesday's action.

The detentions also could cast a cloud over Mr. Mugabe's official visit to Washington in two weeks.

INSIDE

- Nicaraguans confront a proposal to institute the country's first military draft. Page 2.
- Black students in the United States are catching up with white pupils on standardized examinations. Page 3.
- **BUSINESS/FINANCE**
- The U.S. index of leading economic indicators rose a scant 0.3 percent for July, the smallest rise since the recovery began. Page 7.
- New York stocks surged; the Dow average gained more than 20 points. Page 7.
- **SCIENCE**
- The challenge of the revolution in artificial intelligence is to create a mechanical model for the mind. Page 6.
- **TOMORROW**
- How I misspent my summer vacation: Joseph Filchett reveals some crimes aimed at tourists. Weekend.

Nicaragua, for First Time, Plans Draft

By Stephen Kinzer
New York Times Service

MANAGUA — Faced with what it says are continuing attacks along its northern and southern borders, Nicaragua is preparing to impose compulsory military service for the first time.

The announcement that Nicaraguan youths will soon be subject to a military draft has upset many parents, and consular officers at Western embassies say there has been a surge of visa applications

from families eager to send their children out of the country before the new law takes effect in October. Some high schools, especially those favored by well-to-do families, have lost scores of students since the defense minister, Humberto Ortega Saavedra, announced the law on Aug. 10.

Planned by his two principal deputies, Commander Ortega presented the law in an unusual personal appearance before Nicaragua's Council of State, the Sandinist-dominated legislature.

He said a military draft "will strengthen the means of national defense" and warned that "in the coming weeks or months, military tension may reach higher levels."

Thousands of anti-Sandinist insurgents, reportedly armed and financed by the United States, have recently stepped up their military actions inside Nicaragua. Commander Ortega said the country faced "the danger of a confrontation with the Honduran Army and an intervention by U.S. Marines, who are already in Honduras."

The Council of State has been studying the proposed law, and it is being discussed across the country at meetings of Sandinist "mass organizations." Modifications are expected, but sources close to the council predicted that since the defense minister has so explicitly endorsed the idea, it will probably be approved substantially as proposed.

Faced with the draft law, some families who have been dissatisfied with the Sandinists say they will leave.

"I have put up with a lot of abuse and stayed here while a lot of things happened that I didn't like," one man said. "But with this law, I'm leaving for good, because I don't want my kids to die fighting for the Sandinists."

"People are really scared about it," a businessman said. "The effect has been incredible."

Opposition political parties, sensing the unpopularity of the proposal, have seized on it as a political issue. The Democratic Conservative Party issued a statement condemning the draft on the ground that conscripts would not be fighting for Nicaragua, but to protect the Sandinist government.

Last week, the Social Christian Party directed its delegate to the Council of State not to join the committee studying the law. As a result, the Social Christian leader, Aden Fletes, has come under bitter attack in the Sandinist press.

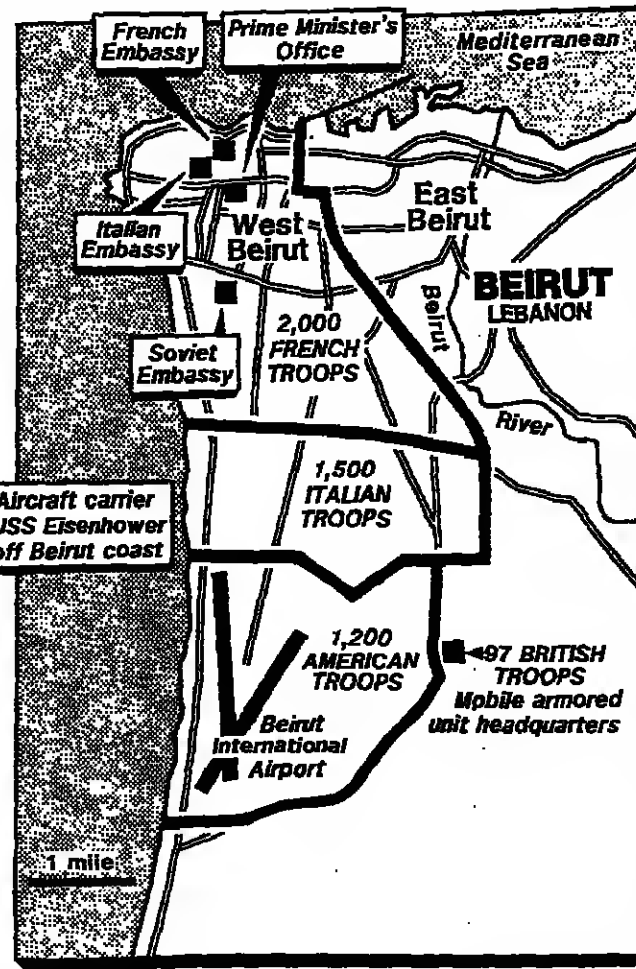
An editorial in the pro-Sandinist newspaper Nuevo Diario observed that "the attitude of the reactionary bourgeoisie is not surprising" because the upper classes "will always oppose any project or program aimed at consolidating the revolutionary process."

In a tacit acknowledgment of the uproar the proposal has provoked in some circles, the editorial called for "an intense campaign of clarification" to counter "diversionist and lying tactics" used by its opponents.

Under the proposal, every Nicaraguan man from the age of 17 to 21 would have to register for the draft in October, and conscription would begin in January. In later phases, men up to 50 would be expected to register for reserve units. Each conscript would serve two years in the military, or longer if the government determined that circumstances required it.

Women would not be required to register, but would be permitted to volunteer, sparking some complaints from women's groups.

The highest-ranking woman in the Sandinist army, Commander Doris Tijerino, said at a news conference that women were needed to rebuild the country but would not be called for compulsory military service "because of well-known biological and organic limitations."



Reagan Faces Dilemma On Marines in Lebanon

(Continued from Page 1)

Lebanon without any semblance of central authority.

That is exactly the opposite of what the administration hoped to achieve last September when it surveyed the situation after the forced departure from Lebanon of the Palestine Liberation Organization and detected what it regarded as a "window of opportunity" through which to restructure the country after years of bitter civil war between its Christian and Muslim populations.

With Mr. Gemayel's Christian-dominated, fledgling government eager to accept U.S. tutelage, Washington saw a chance to transform Lebanon from a major source of Middle East tensions into a U.S. client state. The Lebanese armed forces would be trained by U.S. advisers so that they could assert the government's authority throughout the country. In the meantime, the marines, who had been sent to Beirut during the PLO evacuation, would remain as a confidence-building symbol of U.S. backing for Mr. Gemayel.

At the time, U.S. officials believed that their main problem would be to force the withdrawal of the Israeli forces that had invaded Lebanon in a drive against the PLO. In the U.S. view, an Israeli

pullout would set the stage for a similar withdrawal by Syria and the remaining PLO forces under Syrian protection and permit Mr. Gemayel to seek reconciliation with the many factions holding his government at arm's length.

The high-water mark of U.S. expectations came in May when Secretary of State George P. Shultz went to the Middle East and worked out an Israeli-Lebanese peace agreement. But the accord was derailed by Syria, an whose cooperation the administration had counted, rejected the pact as a sell-out of Arab interests and refused to withdraw its troops from Lebanon.

The Israeli government, under heavy pressure to stop the casualties being suffered by its forces in the Chuf, then decided to renege its troops in southern Lebanon. That would leave a power vacuum in the Chuf. So, in a grimly ironic reversal of his past efforts, Mr. Reagan this week was obliged to ask Israel to temporarily postpone its redeployment while Mr. McFarlane tries to work out an agreement between the Christian and Druze militias there for the Lebanese Army to move into the area without opposition.

In the meantime, Syria has sought to undermine Mr. Gemayel by encouraging his government's many internal enemies to defy it with violence. Syria is believed by U.S. officials to have played a big part in stirring trouble between the Druze and Christians in the Chuf. White House officials asserted Monday while Mr. McFarlane was busy trying to calm the dispute, that the Syrians had incited Shiite Muslims to attack.

U.S. Aide Returns To San Salvador To Brief Magaña

SAN SALVADOR — Richard B. Stone, the U.S. special envoy to Central America, returned to El Salvador Wednesday to brief President Alvaro Magaña on his talks with leftist Salvadoran guerrillas, official sources said.

Mr. Stone made no comment as he arrived at Ilopango Air Base from San José, Costa Rica. He went to the U.S. Embassy and on to the president's office.

He conferred in San José Tuesday with four members of the Farabundo Martí National Liberation Front, the umbrella group of five guerrilla organizations fighting the U.S.-backed government of El Salvador.

Mr. Stone was due to travel later Wednesday to Bogotá for talks with Colombia's president, Belisario Betancur. In Caracas, Foreign Ministry sources said Mr. Stone would meet Venezuela's president, Luis Herrera Campins, there Thursday.

Vance Criticizes U.S. Latin Policy

WASHINGTON — The former U.S. secretary of state, Cyrus R. Vance, said Wednesday that the Reagan administration has placed too much emphasis on seeking a military solution to the problems of Central America and he recommended it pursue a political settlement instead.

Mr. Vance spoke to reporters after testifying in private for more than two hours to the Kissinger Commission on Central America. Former President Gerald R. Ford and former Secretary of State Alexander M. Haig Jr. were in testimony later.

Mr. Vance said he believes the turmoil in Central America is attributable more to local conditions than to intervention by the Soviet Union and Cuba. It would be "clearly preferable" for the administration to opt for a political rather than a military solution, he said.

WORLD BRIEFS

5 Hijackers Surrender in Tehran

BAHRAIN (Reuters) — Five Arabic-speaking hijackers of an Air France jet surrendered to Iranian authorities Wednesday at Tehran airport, ending a four-day ordeal for the seven crew members and 10 passengers. Earlier, it was believed that there were only four hijackers.

The Iranian national news agency, IRNA, said the hostages — whom the French charge d'affaires listed as 13 French nationals, an American couple, a Swedish woman and a British man — were in good health and would spend the night at a Tehran hotel.

The hijackers, whose nationalities remained unclear, seized the aircraft on a flight from Vienna to Paris last Saturday and landed in Tehran on Sunday. They were demanding that France pull its troops from Chad and Lebanon, end military aid to Iraq and release Arab prisoners from French jails. After their surrender, the hijackers asked for political asylum.

Rebel Attack Is Reported in Chad

NDJAMENA, Chad (AP) — Libyan-backed rebels burned down a Chadian village in the government-held south last week in a sudden upsurge of rebel activity in the area, Information Minister Soumaila Mahamat reported Wednesday.

But Catholic missionary sources said the village was burned by government troops who suspected the inhabitants of aiding Libyan-backed rebels operating from across the border.

Meanwhile in Tarbes, France, officials said an artillery battery of about 100 troops of the 35th Parachute Artillery Regiment, with 105mm cannon, trucks and jeeps, was heading to Chad. Equipment will be shipped by sea to Cameroon. Also going to Cameroon will be a squadron of 10 tanks, en route to Libreville, Gabon, and Bangui, Central African Republic, to replace tanks moved from French bases there to Chad.

4 in France Made Ill by Toxic Waste

BORDEAUX (AP) — Four persons have been hospitalized in Bayonne, France, near the Spanish border, after being contaminated by toxic waste washed ashore from Spain.

More than 150 drums of industrial waste that were washed into the Bay of Biscay by floods that swept the Basque country last weekend have been found on French beaches. Of the drums, all marked with a skull and crossbones, 20 have been found to contain sodium cyanide, which can cause death if inhaled.

Authorities have banned swimming on the Spanish and French Basque coasts because of the presence of the toxic wastes.

Jakarta Offensive Reported in Timor

JAKARTA (UPI) — Indonesia's armed forces have launched the biggest offensive in four years against guerrillas fighting for the independence of East Timor, a diplomat said Wednesday.

The diplomat, who asked that he not be identified, said that as many as 20,000 troops were taking part in the operation in the former Portuguese colony, which was annexed by Indonesia in 1976. The source said 16 insurgents of the Revolutionary Front for an Independent Timor, known as Fretilin, had been killed on Aug. 8, the first day of the operation.

Officials declined to confirm the report. But the armed forces chief of staff, General Benny Murdani, warned recently that the government would show "no mercy" for Fretilin guerrillas who do not surrender in exchange for a government amnesty.

Honduran President Rebutts Rumors

TEGUCIGALPA, Honduras (UPI) — President Roberto Suazo Cordova of Honduras took to the airwaves Tuesday to deny rumors of failing health and a possible military coup. Such reports, he told a nationwide television audience, are "absurd speculations."

Mr. Suazo Cordova, 55, who is in a clinic in the Honduran Air Force base near Comayagua, read from a seven-page prepared text. He said he would visit the United States within the next week for a "scientific checkup" on his progress since suffering two heart attacks in July.

"The speech has been decided by the government," a communiqué on the address said, "in order to put an end to the absurd speculations published abroad in which it is recklessly asserted he is in a coma and awaiting a fatal result."

Cuba Troop Issue Stalls Namibia Plan

UNITED NATIONS, New York (UPI) — Secretary-General Javier Pérez de Cuellar reported to the Security Council Wednesday that South African demands for a Cuban troop withdrawal from Angola make it impossible to implement the UN plan for independence for South-West Africa, which is also known as Namibia.

He sent a written report to the council on a three-month effort to break the deadlock that has stymied the UN plan calling for a cease-fire, withdrawal of South African troops, emplacement of a UN peacekeeping force and free elections for the territory which has been administered by Pretoria since the end of World War I.

Mr. Pérez de Cuellar said during his visit to the region last week that he secured South African agreement to the composition of a multinational peacekeeping force and assured South African leaders of UN impartiality in dealing with all Namibian political parties. He said that "we have never been so close to finality" on how to implement the plan approved by the council in 1978, except for the issue of Cuban troops.

Protesters Prepare to Block U.S. Base

MUTLANGEN, West Germany (AP) — About 900 anti-nuclear protesters camped near a U.S. Army missile base Wednesday for final rehearsals of a three-day blockade that organizers hope will attract more than 10,000 demonstrators.

The blockade of roads to the base was scheduled to begin at 5:45 A.M. Thursday. A West German Defense Ministry diagram published Monday in the unofficial U.S. Armed Forces newspaper Stars and Stripes identified Schwäbisch-Gmünd, headquarters of the Mutlangen base less than a mile away, as a site for Pershing-2 missiles.

The diagram said 36 of the 108 U.S.-built, medium-range nuclear missiles that the North Atlantic Treaty Organization plans to begin deploying in West Germany this December will be stationed there.

Zia Foe Quits Hospital to Lead March

KARACHI, Pakistan (Reuters) — The siling leader of a Pakistani opposition party has left a Karachi hospital to lead a march Thursday against the country's military government, members of his party said Wednesday.

Ghaus Bakhsh Bizenjo, 65, president of the outlawed Pakistan National Party and a former governor of Baluchistan province, went into hiding until the march. His party is not a member of the opposition Movement for the Restoration of Democracy, an alliance of eight banned parties, which is conducting a civil disobedience campaign against President Mohammed Zia ul-Haq. But he has asked his followers to support it.

In Sind province, where the protests have been concentrated, the government closed the agricultural university at Tando Jam near Hyderabad, 125 miles (200 kilometers) north of Karachi, after several thousand students supporting the opposition campaign blocked a highway for about five hours.

Greece Blames U.S. for Pact Delay

ATHENS (UPI) — The Greek government blamed the United States on Wednesday for the delay in signing the agreement reached in July for a five-year extension of the operation of U.S. bases in Greece.

"The delay in the return of the English and Greek texts of the accord to Athens from Washington, and the signing of the agreement, is not caused by the Greek side; it is caused by the American side," said Dimitris Maroudas, a government spokesman. He said Greece "cannot allow the issue to remain in abeyance."

He said the Greek government "insists on the validity" of the terms of the English text initiated by both governments July 15. Greece had said the text of the agreement would be released by Aug. 1, following translation into Greek and comparison of the two texts in Washington for accuracy. That date was later pushed back to Aug. 31. The accord deals with the operation of four main bases and 16 secondary installations under the framework of the North Atlantic Treaty Organization.

For the Record

BELJING (Reuters) — China's foreign minister, Wu Xueqian, will visit the United States for talks with Secretary of State George P. Shultz from Oct. 10 to 15 following a six-day stay in Canada, the Foreign Ministry said Wednesday.

ADELAIDE, Australia (Reuters) — Police arrested at least 76 demonstrators Wednesday at a mine on the site of the world's largest known uranium deposits. More than 100 people have been arrested in three days of protests against the use of uranium for making nuclear weapons.

PARIS (UPI) — The tenth annual meeting between the president of France and African heads of state will take place Oct. 2 to 4 at Vittel, in the Vosges Mountains in eastern France, the Elysée presidential palace said Wednesday. The 1982 session at Kinshasa, Zaire, was attended by President François Mitterrand and 19 African leaders.

Conservative Group Starts Campaign To Cultivate Black Vote for Reagan

Los Angeles Times Service

WASHINGTON — The National Conservative Political Action Committee has begun a "Blacks for Reagan" media campaign with a news conference Tuesday on the steps of the Lincoln Memorial.

Henry M. Miller, a Los Angeles businessman; Mabel King, a television actress; and J.A. Parker, head of Lincoln Institute, a Washington research organization that specializes in black issues, defended President Ronald Reagan's policies at the session Tuesday.

The three voiced themes common to black conservatives, includ-

ing the contentions that welfare programs create dependence on government and that improving the economy helps both the poor and the wealthy. They played down the significance of last weekend's huge demonstration at the Lincoln Memorial for jobs, peace and freedom.

John T. Dolan, chairman of the organization, said about six "prominent black leaders" — including the three who appeared Tuesday and two former professional football players, Haven Moses and Joe Profit — will help blacks "make an informed judgment" about Mr. Reagan. The organization plans to invest \$200,000 in the effort to win black support, Mr. Dolan said.

City Offices Bombed in Paris

United Press International

PARIS — The Caribbean Revolutionary Alliance, a clandestine group seeking independence for French territories in the Caribbean, Wednesday exploded bombs outside two municipal offices, causing damage but no injuries.

Pick out something weatherproof, timeproof and gorgeous: the MD-80.



Ageless beauty catches the eye. The MD-80 thwarts the ravages of time with an exterior of premium aluminum alloy burnished to shine back at the sun — a finish so fine it's made only for us.

This outer skin is thin and light. Yet it's tough enough to withstand stress, temperature, fracture and cracking for the life of the airplane.

Corrosion within is a separate challenge. We take extra care to assure that condensation is collected and drained away. Galley areas are given extra protection.

Examples of lasting value are everywhere. MD-80 beauty starts at the skin and goes to the heart. No wonder chief engineers and accountants alike love it.

MCDONNELL DOUGLAS

Original Western Art
WALL DRUG
Wall, SD USA

Mondale Gains Support Of Carter in an Election Gain Support in

By Dan Balz
Washington Post Service
ELLIOT, Georgia — Walter F. Mondale, the former vice president, visited the mountain cabin of former President Jimmy Carter on Tuesday night and came away with his political independence and a glowing endorsement from the former president.

The meeting at Mr. Carter's remote cabin in northwest Georgia appeared designed to shore up Mr. Mondale's standing in the South and to make it clear that any efforts by Mr. Mondale to distance himself from Carter administration policies have Mr. Carter's full support and blessing.

Mr. Mondale's popularity in the South has slipped considerably in recent polls.

"It's obvious that no candidate who hopes to be president of the United States would permit himself or herself to be stigmatized as subservient to the policies of anyone else," Mr. Carter said while awaiting Mr. Mondale's arrival.

"I think Vice President Mondale has always been very loyal to me," he added, "but it would be a mistake for him politically or otherwise to be closely associated to me or too much dependent on the policies I espoused as president."

Mr. Carter praised Mr. Mondale as more qualified than any other Democratic candidate and said his policies would be compatible with Southerners. He said that Mr. Mondale's experience as a U.S. senator from Minnesota and as vice president should appeal to Southern voters, as should his positions on budgetary issues, agriculture, and defense.

While declaring that he could support any of the other Democratic candidates if they should win the nomination, Mr. Carter added: "They don't have that experience of four years," referring to Mr. Mondale's term as vice president.

Mr. Carter said that Mr. Mondale offered "a good balance" of progressive views on various social and domestic issues and conservatism on fiscal policies, and he predicted that Mr. Mondale would make "no radical changes on defense policies."

In the early weeks of his campaign, Mr. Mondale announced his

2 Flee E. Germany in Dinghy

By Dan Balz
Washington Post Service
BAD BRAMSTADT, West Germany — Two East German teenagers escaped to the West after crossing the Baltic Sea in a dinghy, the West German coast guard reported Wednesday.

opposite Carter's embargo Union in its intervention in Afghanistan in 1979. Since then he has tried to maintain his loyalty to Mr. Carter while carving out his own political image.

Mr. Carter seemed Tuesday night to put those differences in the best possible light and to express publicly his confidence in Mr. Mondale as a presidential candidate.

"In some cases, he has strongly defended and supported the policies I espoused as president," Mr. Carter said. "In some cases, he has pointed out alternatives we might have followed if we had known everything in hindsight that we know now."

Obviously pleased, Mr. Mondale said he had asked for Mr. Carter's support and that "he has agreed to support me."

Tuesday night's trip was clearly important to Mr. Mondale, who flew to Atlanta after giving a speech in Orlando, Florida, and then took a small plane to Dalton, Georgia, north of Atlanta. Once there, he drove for almost an hour to reach Mr. Carter's cabin near Ellijay by 9 P.M.

A poll by Darden Research in Atlanta shows that in nine Southern states Senator John Glenn of Ohio leads Mr. Mondale, 39 percent to 33 percent. Last January, the same poll showed Mr. Mondale ahead, 48 percent to 32 percent.

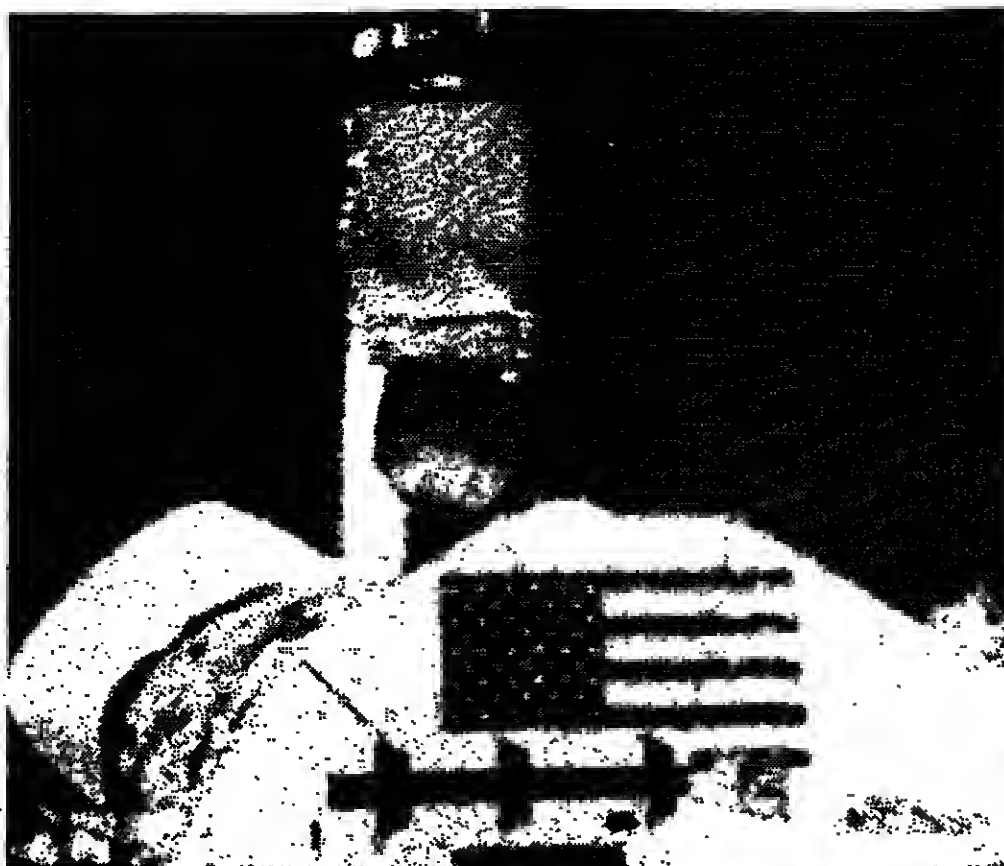
Poll Says Americans Favor Sales Tax Over Income Tax

By Howard Kurtz
Washington Post Service

WASHINGTON — Twice as many Americans surveyed in a Gallup Poll would prefer a new national sales tax to an income tax increase if the federal government needs to raise more revenue, according to a survey sponsored by the Advisory Commission on Intergovernmental Relations.

According to results released Tuesday, the poll of 1,517 adults also found that 35 percent of the respondents consider the federal income tax the most unfair tax they must pay.

Asked how they would choose to increase taxes if it were necessary, 52 percent said they would rather pay a new national sales tax on all purchases except food, like the val-



India's Insat-1B satellite leaving the cargo bay of the space shuttle Challenger Wednesday.

U.S. Shuttle Launches Indian Satellite For Tests on Cyclone-Warning System

United Press International

NEW DELHI — A satellite that may be able to warn millions of Indians of impending cyclones was placed in orbit Wednesday.

India's Insat-1B, launched into

space by the U.S. space shuttle Challenger, is functioning properly, a spokesman for the Master Control Facility at Hassan, in southern India, announced.

Prime Minister Indira Gandhi expressed her "happiness at the successful launching" and the "progress it has made so far."

The satellite, the first of its kind in space, will be used for telecommunications, television, radio broadcasts and meteorology. It is expected to be in operation by Oct. 15. The \$30-million Insat-1B, manufactured by the Ford Aerospace Co. of Palo Alto, California, is designed to relay up to 8,000 telephone calls simultaneously across India, beam television directly to 100,000 rural antennas and take weather pictures.

The greatest function of the satellite will be to aid millions of people in the cyclone-prone eastern coastal areas, where hundreds of people die in floods caused by storms in the Bay of Bengal. Cyclones in the past seven years in the states of Tamil Nadu, Andhra Pradesh and Orissa, along the Bay of Bengal, have killed about 2,000 people. Officials said the deaths could have been avoided if the villagers had been warned well in advance of the storms.

The cyclone warning will be a novel system for sending disaster alerts directly to the millions in the

area, an official of Indian Space Research Organization said. The testing of the system is scheduled to start in mid-1984 at about 100 locations in the coastal areas of Andhra Pradesh and Tamil Nadu, he said.

The satellite was brought into orbit 22,236 miles (35,768 kilometers) above the equator, where it will maintain its position relative to the Earth.

Soviet Satellite

The Soviet Union launched a communications satellite Wednesday to carry telephone, telegraph and television signals. United Press International in Moscow quoted Tass as saying Molniya-3 will orbit the Earth every 12 hours and 16 minutes, Tass said.

Black Pupils Closing Gap With Whites Steady Improvement Is Shown in U.S. Study

By T.R. Reid
Washington Post Service

WASHINGTON — Steady improvement by black students in reading, writing, arithmetic and other subjects has reduced the gap between blacks and whites on standardized school tests, according to research presented at the American Psychological Association's convention.

A research team headed by a University of North Carolina psychologist, Lyle Jones, found "very clear evidence" that current black students are markedly closer to their white classmates in basic skills than earlier generations of blacks were.

One striking example, Mr. Jones said Monday in Anaheim, California, at the APA's annual meeting, appeared in the verbal skills section of the National Assessment of Education Progress, a test given each year to a national sample of students aged 9, 13 and 17.

When people born in 1953 took those tests, blacks averaged 20 points lower than their white contemporaries. Among students born in 1970, blacks' scores averaged 10 points below those of whites.

Mr. Jones and his assistants were hesitant in explaining the blacks' comparative improvement. They suggested, though, that blacks' enhanced financial status and various public education efforts, such as the federal Head Start program, may have contributed.

The study supports findings of a more limited report last fall by the College Board, which runs the national Scholastic Aptitude Test for college applicants. The board found a narrowing in 1981 and 1982 tests of the traditional black-white gap in scores.

The North Carolina researchers reviewed 1972-78 scores on three national tests and found that black performance generally improved on all three tests.

By Jay Mathews
Washington Post Service

LOS ANGELES — U.S. Army intelligence officials in Europe knew of Klaus Barbie's activities in deporting and massacring French Jews at least two years before he was hired as a U.S. intelligence agent in 1947, a former member of the army's Counter Intelligence Corps has asserted.

Michel Thomas, a French resistance fighter who was once captured and interrogated by Barbie, said Tuesday that he helped compile a file on Barbie and other Gestapo leaders while working at the CIC office in Munich in 1945.

Mr. Thomas, now a businessman based in New York, said he was "outraged" by a U.S. Justice Department report two weeks ago suggesting that U.S. officials hired Barbie without realizing he was guilty of serious war crimes.

In releasing the government's report on the Barbie affair, Allan A. Ryan Jr., a Justice Department official, said that the United States had apologized formally to France for smuggling Barbie to Bolivia in 1951 after efforts to prosecute him for war crimes became known.

Barbie now awaits trial in France for "crimes against humanity" committed while he was head of the Gestapo in Lyons during the German occupation of France in World War II. He was twice tried in absentia by France, found guilty

and sentenced to death, but the 20-year limit on those convictions has expired. France abolished the death penalty in 1981.

Mr. Thomas was scheduled to hold a news conference at the Simon Wiesenthal Center in Los Angeles on Wednesday to recount his story and ask for a more complete report on the original hiring of Barbie and on the officers responsible.

Rabbi Marvin Hier, dean of the center, which is devoted to the study of Nazi crimes against Jews and others, said his request for a full congressional investigation has the support of Representatives Mel Levine and Howard L. Berman, both California Democrats.

Mr. Thomas said he objected to the Justice Department's report making army intelligence officers seem like "naive innocents" in hiring Barbie to probe postwar intelligence contacts between France and the Soviet Union.

He said he was amazed that U.S. officers had overlooked the files in their Munich office, which recounted instances of murder and torture under Barbie's command. As a lieutenant in the French Army attached to the CIC office in Munich, Mr. Thomas said, he helped compile the file, based mainly on testimony of other Gestapo officers.

Mr. Thomas said he worked for the CIC from 1944 to 1947, when he immigrated to the United States. Mr. Thomas is Jewish, and he lost both of his parents in the Nazi death camp at Auschwitz, Poland.

He said that he feels the army intelligence officers he worked with would not have let Barbie be hired. But most of those officers had left Europe by 1947, he said, and were replaced by career officers "who had very poor training as intelligence officers."

Ousted Generals Named Ambassadors by Burma

Reuters

RANGOON, Burma — Two senior army officers, forced to resign their posts three months ago during a leadership change arising from a corruption scandal, have been named ambassadors, an official statement said Wednesday.

Tin Sein, a former livestock and fisheries minister and army major general, was appointed ambassador to Yugoslavia and Myo Aung, the army's former quartermaster general, was made ambassador to Nepal.

Fire Kills 8 at Georgia Home

United Press International

SUWANEE, Georgia — Eight persons were killed Wednesday in a fire that broke out in the sleeping quarters of Annandale Village, a home for the mentally handicapped, about 30 miles (48 kilometers) north of Atlanta.

IN KARACHI THE MOST DEMANDING TRAVELLERS STAY INTER-CONTINENTAL



Located in the city center, the Inter-Continental Karachi Hotel offers complete air-conditioned rooms, rooftop dining, sports facilities. A fully equipped businessman's centre plus meeting and convention facilities. The ideal hotel for the businessman.

Hotel Inter-Continental Karachi, Dr. Ziauddin Ahmed Road, Karachi, Pakistan. Telephone: 515021 Telex: 23617 HICK PK

There are also Inter-Continental Hotels in Abu Dhabi, Al Ain, Amman, Bahrain, Kabul, Dubai, Lahore, Makkah, Muscat, Peshawar, Rawalpindi, Riyadh, Tall, and 80 other great Hotels around the world.

AS THE TOMBSTONES WITNESS.. IF YOU NEED GOOD PERFORMANCE AND FINANCING TEKFEEN HAS BEEN READY FOR THE LAST 25 YEARS

TÜRKİYE PETROLLERİ A.O.
US \$ 26,000,000
Partial Foreign Currency Financing
YUMURTALIK - KIRIKKALE PIPELINE PROJECT
Guaranteed by
THE REPUBLIC OF TURKEY
Contractor
TEKFEEN CONSTRUCTION AND INSTALLATION CO., INC., ISTANBUL
Provided by
UORUZENA KOSOVSKA BANKA "BANKKOS - PRISTINA"

TÜRKİYE ELEKTRİK KURUMU
US \$ 30,000,000
Foreign Currency Financing
SUBSTATIONS TURKEY PROJECT
Guaranteed by
THE REPUBLIC OF TURKEY
Contractor
TEKFEEN CONSTRUCTION AND INSTALLATION CO., INC., ISTANBUL
Provided by
ZAGREBACKA BANKA, ZAGREB
LIJUBLJANSKA BANKA, GOSPODARSKA BANKA, LJUBLJANA
JUGOBANK, OSNOVNA BANKA, SARAJEVO

TÜRKİYE PETROLLERİ A.O.
US \$ 40,000,000
Partial Foreign Currency Financing
YUMURTALIK-KIRIKKALE CRUDE OIL PIPELINE PROJECT
Guaranteed by
THE REPUBLIC OF TURKEY
To be carried out by
TEKFEEN CONSTRUCTION AND INSTALLATION CO. INC., ISTANBUL
Arranged and Provided by
ARAB BANKING CORPORATION (ABC) BANCO ARABE ESPAÑOL S.A. (ARABANK)
ARAB INTERNATIONAL BANK, CAIRO ARAB TURKISH BANK
LIBYAN ARAB FOREIGN BANK ARAB BANK FOR INVESTMENT AND
BANQUE INTERCONTINENTALE ARABE FOREIGN TRADE (ARBIT), ABU DHABI
ARAB LIBYAN TUNISIAN BANK S.A. - BEIRUT
Agent Bank and Arranger
BANCO ARABE ESPAÑOL S.A. - "ARABANK"

THE UNIVERSITY OF JORDAN
LIBRARY
SERIALS No. 48343
CLASS
DATE 22 APR 1984

Tekfen Construction and Installation Co. Inc. has 25 years of construction experience under its hard hat. Numerous pipelines, refineries, petrochemical complexes, fertilizer plants, dams, highways, airports, reservoirs, all kinds of storage tanks and offshore platforms in Turkey testify for the Tekfen technology.

In Kuwait, Tekfen-built motorways and bridges are easing traffic in Kuwait City and 76-million-gallon capacity reservoirs supplying much-needed water to the capital city.

In Saudi Arabia, Tekfen has just completed a 80-million-gallon capacity high point water transmission terminal to feed Riyadh with fresh water.

At the moment, the contract value of Tekfen's continuing projects amounts to \$ 688,277,000.

Tekfen currently constructs a pipeline to carry oil 300 miles from the Mediterranean to the heights of the Central Anatolian plateau. A network of electricity transformer substations of 380 KV in Turkey. And as the equal partner in an international consortium with Saipem (Italy) and C.A.T. (Lebanon), the massive \$ 450 million Assir Water Transmission System in southwest Saudi Arabia.

More than 200 successfully completed construction projects of all kinds have helped to establish the Tekfen image and the confidence of our clients who have repeatedly entrusted us their projects for Tekfen's quality, timing and pricing in 25 years.

And.. Whenever possible, Tekfen helps its clients to ease their project financing, as the foregoing tombstones witness.

TEKFEN
The Dependable Name

İnşaat ve Tesisat A.Ş. of Istanbul, Turkey
Construction and Installation Co. Inc.

HEAD OFFICE
Address: Tekfen Sitesi
Etiler - Beşiktaş - İSTANBUL
Cable: Tekfen - İstanbul
Phone: (111) 185 80 50 (5 lines)
Telex: 26 430 Tektr

LIAISON OFFICE
Address: Büyükdere Sok. No. 2/2
Kavaklıdere - ANKARA - TURKEY
Cable: Tekfen - Ankara
Phone: (111) 27 76 41
Telex: 42 316 Tektr

RIYADH OFFICE
Address: P.O. Box 20782
Riyadh - SAUDI ARABIA
Phone: 479 35 71
479 16 85 - 479 18 02
Telex: 204731 Tekfen sq

ABHA OFFICE
Address: P.O. Box 1134
Abha - SAUDI ARABIA
Phone: 224 00 84
224 05 17
Telex: 301 158 Tektr sq

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Begin's Resignation

A Flame Burnt Out

Menachem Begin may not have thrown his last bombshell for Jews and Israel, but it does a fighter for integrity to demand his last: "I cannot go on any longer."

Mr. Begin alone knows whether that means he is too ill, too dispirited by the costly but fruitless war in Lebanon, or too heartbroken over the death of his wife. Though he played demagogically to crowds that still hail him as the "King of Israel," he departs democratically, a man at peace with his mortality.

One reason, surely, is that the Begin chapters in the book of Israel are now essentially complete. He has pointed the way, by will and violence, to absorption of what he deems the promised land: all the way to the banks of the Jordan and the heights of the Golan, irrespective of the Palestinians living there. He has signed and scrupulously observed a strategic peace with Egypt that, as long as it holds, leaves Israel militarily unchallengeable.

Mr. Begin has avenged the slaughter of his family and brethren in Europe and the terrorism of Arabs. He has taken the salaries of statesmen who once wanted him hanged, and he has worn every political costume, from a guerrilla's to a Nobel laureate's.

Mr. Begin's career spans the entire history of his beleaguered nation. In opposition as in command, he pressed for hard choices, between violence and diplomacy, between principle and compromise, leaving his indelible mark in both columns. Surely the British quit Palestine faster because of the underground assault of his Irgun. Surely the peace with Egypt is firmer because he forced fellow Israeli hawks to accept the withdrawal from Sinai.

But many Israelis also believe that Mr. Begin muffed the chance for a wider peace and misused Israeli lives by refusing territorial compromise in the West Bank and overreaching in Lebanon. The West Bank land that he covets is being sown with seeds of strife, and the Lebanon that he tried to calm has become a quagmire for 30,000 Israeli troops.

At home, meanwhile, the lower-class appetites that he brilliantly exploited for votes are largely unsatisfied, and the economy is being crushed by a mountain of debt.

The decisions ahead to require less weary, more open minds. How much austerity and discipline can Israel now withstand? How fast a retreat can it beat from Lebanon? And how, if it clings to Gaza and the West Bank, can it possibly absorb 1.4 million Arabs without ceasing to be either Jewish or democratic?

Mr. Begin stood, finally, for expansionism and populism. It may well be that these themes, as well as the man, are now exhausted.

—THE NEW YORK TIMES.

The Things Left Behind

Menachem Begin's announcement of his intention to resign as prime minister could be seen coming. After a fiercely strenuous 70 years, he was a battered and — since the death of his wife — melancholy man who acknowledged he could no longer function well. No one more deserves a gentle retirement.

Those of us who have argued vigorously with Mr. Begin's policies should give him his ample due. In the underground he was instrumental in creating Israel and as prime minister he brought it its first peace with an Arab neighbor — high achievements both. But his West Bank annexationist policy has strained Israel's democratic character, diminished the improvement in relations that seemed possible with the Arab world at large and weakened Israel's ties with its foreign friends.

What could change now? The major partners in Mr. Begin's Likud coalition, facing a return to the political wilderness, may be expected to stay together. Having yielded itself to internal feuding, the Labor opposition is poorly placed to test the comforting theory that the Begin years were an aberration and that Israel is overdue to return to a natural liberal accommodationist essence.

It is on the foreign front, in Lebanon, that the downside of the Begin legacy is most evident. Mr. Begin and defense chief Ariel Sharon believed they were creating the conditions for a peaceful repair of long-term Lebanon. Now Israel, under domestic pressure to reduce casualties, is about to make a partial withdrawal, with Lebanon torn as never before. The United States struggles to limit the damage while Moscow savors the opening to reclaim a role. The death of two American Marines in the peacekeeping force in Lebanon only raises the political cost to President Reagan.

Mr. Begin, believing it to pose a large and real danger to Israel, worked hard (as did many of his enemies in other lands) to sidetrack Mr. Reagan's plan of last Sept. 1 for a negotiated West Bank peace. We think he was wrong in doing so and that the Reagan plan offered some hope for a safe and stable solution to the conflicts that pose such a wearing and terrible danger to Israel itself.

Mr. Begin's successor will have no reason to question the strength and passion of his commitment to the security of Israel or the fact that he did have some notable achievements in pursuing that security. What that successor should ponder is whether the Begin policy has not by now accomplished everything of usefulness it possibly can and has now turned on itself — and whether it is not time for a change out just of people but of policy as well.

—THE WASHINGTON POST.

Other Opinion

On the U.S. Marines

The deaths and wounding of the U.S. Marines in Beirut underscore the difficulties that outsiders have in keeping the peace in strife-torn Lebanon, and serves as a warning against expanding the territory policed by the multinational force of American, French, British and Italian troops after the Israelis pull south from the Chuf Mountains.

The rocking and mortaring that hit them came while the Christian-Lebanese army, with which the Marines share some checkpoints, tried to put down Shiite Moslem fighters; during the night, shelling had come from positions held by Syrians, and from others held by Druze. The Pentagon said that the enormous shells that fell on the Marines apparently were aimed for the Lebanese army, but fell short. Perhaps the firing stopped only when the Marines returned it.

It would be good if the multinational force could without further harm to itself keep the several warring factions in Lebanon apart long enough for the country to begin pulling itself together, but as of now the prospects look dim indeed.

—Los Angeles Times.

Two U.S. Marines, killed in the line of duty as peacekeepers in Lebanon, provide a depressing counterpoint to Israeli Prime Minister Menachem Begin's efforts to relinquish office. Just as the dead Marines symbolize America's reluctant involvement in Lebanon's civil wars, so Mr. Begin's resignation reflects Israeli grief over 517 casualties in that conflict. The United States, for its own strategic purposes, will have to remain as would-be peacekeeper in the Middle East despite the sad burden of Marine casualties and the obsequiousness of Israeli leadership. Therein lies the link between the American deaths in Beirut and Mr. Begin's decision to resign.

—Baltimore Sun.

The American people join President Reagan in his "profound sorrow" over the killing of two U.S. Marines and the wounding of 14

others in the first exchange of gunfire with warring Lebanese factions.

Lebanon has been described as less a nation than a "historical zoo of the Middle East's losers." Including 16 official sects and uncountable political factions. They were beset by blood feuds of their own long before Palestinians, Syrians and Israelis made the country an international battleground.

Calls for withdrawing the Marines are understandable. But that, as the administration recognizes, would be a severe symbolic blow to efforts to consolidate the government of President Amin Gemayel, which, though feeble, is the best hope for restoring the country.

—The Chicago Sun-Times.

Hopes on the Missiles

Prior to the resumption of the intermediate-range nuclear force (INF) reduction talks in Geneva next month, Soviet President Yuri Andropov offered to destroy SS-20 missiles, which would be reduced in Europe instead of redeploying them in the Soviet Far East.

We believe that the proposal was a step forward because it complied with Japan's wishes in connection with the projected redeployment. We must remember, however, that there will still remain 108 SS-20s deployed in the Soviet Far East even if the Geneva talks make progress in line with the proposal.

Through its peace offensives the Soviet Union is trying to prevent the deployment in December of Pershing-2 and cruise missiles in NATO member nations. Andropov's latest proposal is closely connected with this.

We do not believe that the proposal should be turned down as a mere peace offensive. We believe it should be seen as a chance to ease current tensions.

The showdown between Pershing-2 and SS-20s is extremely dangerous because it involves automated nuclear exchanges by means of computers and radar. Should a nuclear attack take place through human or mechanical error, all people on earth will suffer.

—The Mainichi Daily (Tokyo).

FROM OUR SEPT. 1 PAGES, 75 AND 50 YEARS AGO

1908: Paris Museum Legacies

PARIS — The will of the late M. Charles Drouot, the collector of pictures, has just been opened, and the Paris museums receive numerous important legacies. To the Louvre Museum M. Drouot bequeaths "Le Prisonnier" by Murillo; five landscapes by John Constable to be chosen from among his collection of works by that artist; six pictures by William Turner, and his picture, "Vue du Palais ducal et de la Piazzetta de Venise" by Richard Parks Bonington. The other artistic treasures which are bequeathed to the Louvre include sixty Kakemonos, being the best works of M. Drouot's Japanese collection. The Luxembourg Museum is to receive one of Whistler's works.

1933: Child Labor Ends

WASHINGTON — When factory whistles blow tonight and workers emerge from the mills, there will have occurred one of the greatest social events in the recent history of the United States — the definite end of child labor. After today no employer subscribing to President [Franklin] Roosevelt's re-employment program may engage any person under 16 years of age. There is one exception, and that is that between 14 and 16 a child may be employed for not more than three hours in occupations other than manufacturing and mechanical. This program aims ultimately at ratification of the child labor amendment to the Constitution.

Population Explosion Prevents Any Solution in Central America

By Maxwell D. Taylor

The writer, Army chief of staff from 1955 to 1959 and chairman of the Joint Chiefs of Staff from 1962 to 1964, contributed this comment to the Washington Post.

WASHINGTON — While it is difficult to identify precisely the objectives of U.S. policy in Central America, administration statements and their interpretations by the media allow us to form a pretty clear idea of what our leaders are trying to accomplish. The principal long-term objectives seem to be the restoration of peace and order throughout the isthmus, the exclusion of communist influence and weapons wherever found and control of the flow of immigrants into Mexico and the United States.

To do these things, the United States is concentrating attention primarily on the situation in El Salvador, Nicaragua and Honduras. The first two are the scene of guerrilla insurgencies; Honduras is serving as a base for U.S. support of the Salvadoran army and the anti-Sandinist forces.

Irked by the charge of over-concentration on military aid, President Reagan recently has been demonstrating a greater interest in economic and social conditions in El Salvador, which, unimproved, will tend to nullify the accomplishments of the military programs. In this civil field, the objectives are particularly ill-defined but include intentions to stabilize the ineffective albeit democratic government in El Salvador, to find ways to ameliorate the condition of the poverty-stricken majority of the population.

As in most of Latin America, society in Central America is sharply divided between the very poor and the very rich with little or

no middle class. Most of the indigent were originally farmers, but by now many have migrated to the cities where they live in suburban shanty towns. The change to an urban environment has brought them little benefit since jobs, already scarce, have been unable to keep pace with the arrivals from the country.

These nonmilitary obstacles to U.S. policy have been often discussed by the press in recent months. However, in the heated debate over the merits or demerits of this policy, I have never heard mention of the existence of a seminal cause that is responsible, wholly or in part, for the difficulties being encountered by our officials. The overlooked factor is excess population and its consequences.

First, a few demographic data regarding El Salvador, Nicaragua, Honduras and Guatemala. They all have an annual population increase of about 3 percent, which, if sustained, will cause their populations to double in 22 years (the U.S. growth rate less immigration is 7 percent; its doubling time, 95 years). Their cities will double faster so that, by the end of the century, each country will have a capital of over 1 million (Guatemala City will be over 2 million). The work force is expected to grow from 7 million in 1980 to 13 million in the year 2000.

What do these figures tell us? First, they

remind us that at least until the year 2000, the present forces and conditions adverse to our objectives in Central America will sharply increase. Mounting misery awaits the poor, the result of greater crowding, poverty, unemployment and ill health. Their hopelessness may be expected to express itself in domestic turbulence, frequent overthrows of government and expanded migration to greener pastures beyond national boundaries.

It is also predictable that many governments, overwhelmed by the burdens of governance will often be replaced by dictatorships of the right or left that will prove equally inadequate to their tasks. If Central America is today an inviting pond to communist fishermen, under the conditions forecast it will offer them a well-stocked lake.

What would happen to American policy under such circumstances? It might succeed to a degree in improving the internal security of countries such as El Salvador and Honduras, in neutralizing communist activities such as those now in Nicaragua and in achieving minor improvement in government administration. But the time will never come when we can declare a complete job well done and leave Central America a region of stable prospering democracies.

The hard fact is that unchecked population

growth alone creates problems so difficult and so costly to solve that the United States can never afford to take so ambitious a target. It is not merely that the regeneration of Central America is beyond any sum Congress is likely to appropriate for the purpose. We must remember that, concurrently, these same conditions that frustrate us in Central America today are present in virtually every other country in Latin America, many of which, like Mexico, Venezuela and Brazil, are far more important to our national interests than Central America.

This list could be lengthened by adding countries in Asia and Africa which, because of their importance as trading partners, lessors of military bases or formal allies, also deserve a higher national interest rating than Central America. From these considerations, future Washington policy designers should be able to draw several useful conclusions. They should perceive the folly of considering a genuine Marshall Plan for this part of the world after having appraised the needs of our national interests worldwide and determining priorities in allocating our finite resources. Such an appraisal should lead them to limit our objectives in Central America to something relatively modest, such as the restoration of order in war areas, an end to identified communist troublemaking, and the first steps of a realistic social-economic program in which aid for family planning would be a lead item.

Leaders Do Often Matter

By James Reston

WASHINGTON — Journalists are fascinated by political personalities, maybe because it is easier to write about them than about their problems. Is the life of the world changed by the rise and fall of presidents and prime ministers these days? Are they the shapers or the casualties of events, authors of history or prisoners of geography?

When Menachem Begin says he is going to resign as prime minister of Israel, there is a flutter of speculation in the world press, as if the changing of the guard really mattered. And the truth of it is that often it does.

It matters a great deal in authoritarian societies when dictators take charge, as Hitler did in Germany, Stalin in the Soviet Union, Mussolini in Italy and Tojo in Japan. They imposed their dreams and nightmares on the world, and by so doing changed the history of the middle years of this century.

It matters less in democracies, which are subject to public opinion, a free press and representative legislatures — and in Israel the resignation of Mr. Begin may not change policy at all. But even in the tug and haul of free nations, leaders do matter.

For they define questions and issues for decision. They set the tone for national debate. If they appeal to our fears of nuclear or even commercial war, or to our hopes of compromise, cooperation and reconciliation at home and abroad, that makes quite a difference.

The balance of power and the hunger of the majority of the human family are both important. Much depends on what leaders regard as the problems of the coming age — when two-thirds of the human race at the end of the century will be living in the poor and hungry nations of Latin America, Africa and Asia.

It is interesting to look back at the speeches and the Federalist Papers at the beginning of the American Republic. Their authors were tough politicians, but they were always referring to their responsibilities to "future generations." The talk here in modern times is mainly about the next election.

It is about whether President Reagan will or will not run for a second term, whether U.S. labor will back Walter Mondale or John Glenn as Democratic candidates for president, and what the role of government should be.

If, for example, leaders tell the people that the government in Washington is not really their friend in trouble, but their enemy; that all their anxieties about jobs and the education of their children are somebody else's fault; and that the troubles in Central America were all manufactured in Moscow and Havana, it is not surprising that the people are divided and confused.

The question of leadership and opinion has been an issue in this country from the days of Thomas Paine. Walter Lippmann defined it in more modern terms many years ago. "Those in high places," he wrote, "are more than the administrators of government bureaus. They are more than the writers of laws. They are the custodians of a nation's ideals, of the beliefs it cherishes, of the faith which makes a nation out of a mere aggregation of individuals."

It is not necessary, or even remotely desirable," he added, "that the leader of a people in a crisis should always be grim, solemn and fanatic. It is a relief, when one thinks of the suffragan gloom of a Hitler, to think of a Churchill or a Roosevelt, and he reminded of their gusto and their buoyancy, of the decadencies of life."

This is what we are missing in the leadership of the world today: the gift of speech, the capacity to reduce the diversity of world politics and the first world economy to a single identity, so that the people can understand the transformation that is taking place in the life of their children.

Leaders do matter. Much depends on how they view themselves, what they say, whether they appeal to the best or the worst in the people — and whether they concentrate on immediate problems, like President Reagan and Prime Minister Begin, or think about the consequences and about the next generation and the next century.

The New York Times.



U.S. Has Missed the Boat With the Law of the Sea

By Jonathan Power

NEW YORK — It is just over a year since Ronald Reagan announced that the United States was not going to be a signatory of the Law of the Sea. This decision came like a bombshell, because the United States, during the nine tortuous years of negotiations, had been a devoted and creative partner in the effort to draw up a code that would settle the simmering disputes that threaten to make the fight over the oceans' resources reminiscent of the scramble for Africa in the previous century.

Not the least of the ironies was that the U.S. negotiators over those nine years, with one brief interlude, had all been Republicans. Indeed President Richard Nixon, announcing U.S. participation, had echoed Third World rhetoric when he called the seas "the common heritage of mankind." He then proposed a negotiating position so generous that, had the Third World grabbed it instead of debating it, it would have given them a better deal than the one that would have been concluded if Jimmy Carter had beaten Ronald Reagan.

Two weeks ago in Jamaica the preparatory Commission of the Law of the Sea opened its deliberations. Almost every country in the world, except the United States, is present, and the West Europeans and the Japanese still hope that they can bend the rules so that U.S. objections to the treaty text can be accommodated.

The U.S. position is ambiguous. The Americans are not there, a senior State Department official explains, because it would give the others false hopes that U.S. objections to the text could be accommodated. The commission, it is said, does not have the power to make the substantial changes to the treaty that the United States wants. At the same time, the official argued the United States is also worried that if the treaty were reopened the 90 percent of it which the United States is happy with would start to unravel.

The United States, it seems, has maneuvered itself into a peculiar corner. It badly wants the treaty's provisions on a 200-mile exclusive economic zone, a 12-mile territorial limit, rights of passage for its civilian and military ships through narrow straits, pollution control and the system of international courts to arbitrate disputes at sea.

Its reservations are only on one part — Article 11, which governs the question of access to the mineral-rich nodules that lie in the ocean depths. The Reagan administration decided it could not live with the hard-won compromise its predecessors had negotiated which would establish a dual authority to mine the nodules. One part would be the "enterprise" that would mine on behalf of the less-developed countries. The other part would be licensing authority that would allow the big mining corporations access to sites.

The United States has backed itself into a "no-win" situation. Already because of the hiatus caused by the Americans, a number of countries that overlook strategic straits are talking about nullifying the treaty. One such country is Spain, which under the new 12-mile territorial limit (it used to be three) effectively controls the Strait of Gibraltar and thus access to the Mediterranean.

Nevertheless, the United States, according to State Department officials, feels it can circumvent these problems. The fact that the treaty has been negotiated over so many years makes it "de facto international law."

There is, however, no reason why other countries should be quite so obliging. The United States is planning to start licensing its deep sea mining corporations in about 12 months. Russia and India have already formally informed the United Nations of their claims to two mine sites. Large as the oceans are, it is only a question of time before two or more nations or the "enterprise," claim the same plum sites.

If a situation like this does arise — or another, such as Colonel Moamer Qaddafi claiming stretches of the Mediterranean, or Iran closing the Strait of Hormuz, the oil tanker route — the United States might find itself wishing it had an international court recognized by everyone in which to fight its case.

International Herald Tribune.

A New Focus on Japanese War Crimes

By Ken Ishii

TOKYO — If the Japanese were found guilty of committing brutalities in World War II, why were Americans who committed similar crimes allowed to go free? How does Japanese aggression in Asia differ from European domination of Asia only a century earlier?

Was the rape of Nanking any worse than the atomic bombing of Hiroshima?

The film Tokyo Saiban (The Tokyo Trial), a 4½-hour film on the trial of Japan's wartime leaders, raises questions that Japanese did not think to raise just after their defeat. To them, the trial of General Hideki Tojo and his 77 co-defendants was an act of reconfirmation that they were freed at last from the manipulations of the men who had led them to destruction, a reassurance that they were now able to live in peace.

Japanese of the wartime generation tended to see the trial in terms of the relationship between them and their leaders rather than in terms of "crimes against peace and humanity" and other charges on which the 11-nation tribunal for the Far East judged the defendants.

If this film by veteran director Masaki Kobayashi has produced any positive result, it is because most of the viewers who packed Japanese theaters to see it belong to the postwar generation. Constant reminders of the ability of the nuclear powers to obliterate mankind today give charges of "crimes against peace and humanity" fresh meaning to a generation that has known only peace.

Combined with selected out of the trial itself are scenes of brutality by Japanese troops, as well as shots of the death camps, Auschwitz and Treblinka, the Bikini nuclear tests and, of course, Hiroshima, and a summary of war atrocities since 1945 concluding with a shot of a young Vietnamese girl hit by napalm.

The impact is powerful as an antidote to war. Viewers come away stunned, unable to escape the film's conclusion that the tribunal was little more than a kangaroo court, confirming the truth that might is right and that Japan was no more guilty of barbarities than anyone else.

Director Kobayashi insists his purpose is "to tell the historical truth" without reference to ideology. Certainly, the tribunal's vindictive approach comes through, especially to people like this writer who, as a Reuter reporter, covered the proceedings.

The tribunal's rationale — or lack thereof — in refusing in many instances to refuse admission of defense testimony would hardly stand up under accepted rules of jurisprudence. There is a comical aspect in the pomposity of the late Joseph B. Keenan, the chief prosecutor, who often appeared more interested in making his mark on history than in trying to develop a sound case. Looking around to make sure he had everyone's attention, he informs an

impassive Tojo, "I shall not address you as general because there is no longer any Japanese army." In their verbal skirmishes, Tojo ran rings around the U.S. lawyer.

It is a pity that in selecting his material from more than 100 hours of courtroom footage, Mr. Kobayashi was unable to document the struggle between Sir William Webb, the Australian head of the tribunal, and the jurists representing New Zealand and Nationalist China on the one hand, and General Douglas MacArthur and Mr. Keenan, his court spokesman, on the other on whether Emperor Hirohito should be brought to trial.

General MacArthur, who wanted the emperor spared to maintain order, prevailed. But there were some tense moments, as when Tojo testified that all decisions of the war were made with Hirohito's approval.

The Russians wanted to try the emperor too, but on the basis of the Japanese germ warfare experiments in Manchuria. However, the experiments were granted immunity by the Americans, reportedly to keep the data obtained on the experiments from the Russians. As a result, the evidence was also kept from the tribunal.

After seeing the documentary, Junji Minami, a Japanese publisher, was quoted as remarking, "I have learned how a military tribunal can legalize political intentions." Seiichi Tagawa, a middle-road member of the Diet, noted that "although the film does not treat the defendants in an heroic light, it does point out the absurdity of winners trying losers."

The trial's political purpose was also underscored in the dissenting judgment of the tribunal's jurist from India, Radhabinod Pal, who believed all the defendants to be innocent because it was unjust for Europeans, after conquering Asia themselves earlier, to accuse the Japanese of trying to liberate Asia from white domination.

Bernard V. A. Roling of the Netherlands, the only surviving member of the tribunal, recently recalled his reservations at the time as to whether "crimes against humanity" had any basis in international law.

By comparison, the Nuremberg Trial had more immediacy because the accused and their victims were all part of Europe. Also, the charges at Nuremberg were more specific since Germany had a single chain of command, whereas authority in Japan was more dispersed despite the fact all decisions were made in the Emperor's name.

The Tokyo Trial lasted 30 months, ending in 1948. The defendants were charged on 55 counts from crimes against peace to plotting murder. According to Mr. Roling, one can look back at the Tokyo Trial "with a kind of anger at its unfairness, or one can emphasize the role it played in the development of history."

International Herald Tribune.

The Barbie Apology

Regarding the editorial "The Barbie Apology" (IHT, Aug. 19):

Investigator Allan Ryan's thesis that Barbie's treatment was a result of military expediency does not wash with Jews who remember a pre-war United States almost as violently anti-Semitic as it was antiblack.

While Father Coughlin roused his fascist rabble in the Midwest, Gerald K. Smith held a huge rally of the Deutsche-Amerika Bund in New York complete with Stars and Stripes hanging side-by-side with the swastika and U.S. citizens giving Nazi salutes while chanting Heil Hitler.

With the outbreak of the war, Americans were forced to choose sides. The great majority remained loyal to the United States and served in the armed forces honorably, often courageously. With the occupation of Germany, this reserve of bilingual American servicemen formed a perfect recruiting reservoir for the occupying intelligence services. Nobody

was interested in their attitudes towards the "Jewish problem" or the "Final solution."

Those who aided Barbie are guilty of being accessories after the fact to war crimes and genocide for which there is no statute of limitations.

ARTHUR M. HOWARD,
Dartikon, Switzerland.

"Red" Tunnel Vision

Regarding "The Aquino Killing" (IHT, Aug. 24):

U.S. foreign policy is full of contradictions. Following the assassination of Benigno Aquino, President Reagan has been trying to cancel a proposed visit to the Philippines. Meanwhile, the U.S. administration is funding a regime in El Salvador which has been openly exterminating politicians, doctors and intellectuals in their thousands for years.

The reason for this two-faced policy is the Reagan administration's

insistence on viewing communists (and in some cases socialists) as "the enemy," a view supported by Mr. George K. Ford (Letters, Aug. 23).

It is the poor, the hungry and the suffering who have most need of the support of the United States. In its determination to place politics before people, Mr. Reagan is cooking up a horrific recipe for world disaster.

ANDREW C. PHILLIPS,
Brussels.

War and Health

Regarding "Libya and France Step Up Roles in Chad" (IHT, Aug. 19):

Will it prove any more salutary for the French to see their soldiers killed in Africa by arms sold by their own government than it did for the British in the South Atlantic? I fear not. Nobody seems to care, not even the soldiers whose lives are at stake.

R. A. EAMES,
Cheshire, England.

Territorial Supremacy

Regarding "Assad Links Withdrawal to To Follow by Israel First" (IHT, Aug. 15):

Syrian President Hafez al-Assad, in a recent interview with Laila Weymouth, refers constantly to Israeli dreams of expansion and hegemony. Israel covers half the area of Switzerland, whereas the 22 member states of the Arab League cover 10 percent of the world's surface.

The population of Israel is under 4 million, that of the Arab League states is close to 150 million.

D.G. LITTMAN,
Gland, Switzerland.

Salty Instinct

Regarding "Human Urge For Salt May Be Instinctive" (IHT, Aug. 18) by Harold M. Schmuck Jr.:

The statement that more salt causes higher blood pressure is taken with a grain of salt, my instincts say.

Kuala Lumpur, Malaysia.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUBNER, Publisher
Executive Editor: RENE BONDY
Editor: FRANÇOIS DESMAISONS
Deputy Editor: RICHARD H. MORGAN
Managing Editor: STEPHAN W. CONAWAY

PHILIP M. FOISE, Executive Editor
WALTER WELLS, Editor
ROBERT K. MCCABE, Deputy Editor
SAMUEL ABT, Deputy Editor
CARL GEWIRTZ, Assistant Editor

International Herald Tribune, 181 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France. Telephone 741-1265. Telex 612718 (Herald), Cable Herald Paris.

Director of the publication: Walter N. Thayer
Gen. Mgr. Asia: Alain Lecaer, 24-34 Financière Rd. Hong Kong, Tel. 5-285618, Telex 611



FROM PROTEST TO PRISON — Mogens Glistrup, founder of Denmark's anti-tax Progress Party, greeted journalists and supporters Wednesday as he came to police headquarters in Copenhagen to begin serving a three-year prison sentence for tax evasion. He was expelled from the Danish parliament shortly after his conviction.

'Superthief' Catches Britons' Fancy Amid Rash of Burglaries on Estates

By Peter Osnos
Washington Post Service

LONDON — More than other people, the British know how to savor good clean crime. And this week they have been treated to a heist that is irresistible.

An intrepid cat burglar lifted jewelry valued at about \$1.2 million from the estate in the West Sussex countryside of a fabulously wealthy, but suitably mysterious Arab while he and his family slept. The thief outwitted a sophisticated alarm system, flooded the house with smoke, and made a getaway in a speeding car.

The victim, a Jordanian named Taj Hajjar, is reputed to have spent a fortune transforming his thousand-acre (400-hectare) spread and Tudor mansion by adding exotic artifacts, a 27-horse stable, a Japanese-style tea house and a Greek-style temple. Among his 14 cars is a gold-colored Rolls-Royce.

What makes the case a sensation is that police believe the perpetrator is the same person who has made off with more than \$2 million in bundles of "various kinds" of securities during the year from wealthy homes and treasure troves scattered around Britain.

Included among the previous booty was a Rembrandt called "Jacoby de Gheyn III" that has now had the misfortune (or distinction) of being stolen four times.

"Superthief Raffles," proclaimed the Daily Express, invoking the swashbuckling image of a fictional figure from Victorian novels who played expert cricket by day and emptied country houses by night. Created by E.W. Rieu in a book entitled "The Amateur Cracksmen," Raffles, said the Express, was "the first criminal acceptable as a hero to English readers."

With so respectable a purported pedigree, police reporters are scrambling to offer details of the updated modus vivendi. The latest unconfirmed report so far is the assertion that the new "Raffles" uses ropes fired from a crossbow to outwit alarm systems and then escapes down them.

Based on the little available information, the thief must know the premises, wasting no time in searching for safes or particularly valuable objects, which suggests that accomplices are recruited from the staff of the homes.

Another theory — advanced by T.A. Sandrock, crime correspondent of The Daily Telegraph — is that the burglar has a racing connection.

"In at least three of the burglaries," he wrote Monday, "there were either well-known stud farms nearby or, in one case, it was close to Newmarket Racecourse. It is possible that tip-offs about the targets, their alarm systems and their contents could have come from someone moving among the racing fraternity, probably at the higher level of owners and trainers."

Police spokesmen refuse to discuss any of this with outsiders, but given the unanimity with which the existence of a Raffles-type thief is being reported by Fleet Street regulars covering crime, some connection among the burglaries must exist.

The identity of Mr. Hajjar, however, has confounded the press. He was first described in some newspapers as a prince and then said to be married to a princess, neither fact of which is evidently true. He is now said by the Daily Mail to be a once "penniless refugee from the West Bank of the Jordan River who built up a network of Middle Eastern companies to accumulate his phenomenal wealth."

He is portrayed as a billionaire by some sources, and his 200 companies are said to turn over about a billion dollars a year. A picture of the secretive Mr. Hajjar published this week depicts a genial-looking middle-aged man who, given all the hoopla, looks disappointingly ordinary.

Eyen Mr. Hajjar's supposed link to royalty is fading. After reports escalated Tuesday by claiming the burgled property was actually meant as a "bolt-hole" for Jordan's King Hussein should he ever need to flee his homeland, the Jordanian Embassy put out a testy statement insisting that the Hajjar estate was no such thing and that the two men were not even friends.

Police disclosed Tuesday night their first substantive clues, three empty jewel boxes found along a roadside not far from the scene. A reward of \$120,000 awaits return of the contents and conviction of the culprit. Meantime, "Raffles" remains at large.

FBI Discloses a 165-Agent Assault On 5 Crime 'Families' in New York

By Schwyn Raab
New York Times Service

NEW YORK — The Federal Bureau of Investigation has begun its first major drive against organized crime in the New York City area and expects indictments soon of about 150 suspected crime leaders.

Thomas L. Sheer, special agent in charge of the FBI's criminal division in New York, and other agency officials said in interviews that the bureau had deployed 165 agents in the last year to investigate and infiltrate the "five families," the oldest and most powerful crime groups in the New York City area.

"We are not going after fringe players," Mr. Sheer said Tuesday. "We are going to make a hell of a dent this fall and winter in the five families."

According to Mr. Sheer, agents have used court-authorized electronic eavesdropping and telephone taps. Informers have also been enlisted.

Instead of the agency's usual strategy of investigating separate federal crimes, he said, the New York office has established special squads to concentrate on each of the five crime groups.

"We realized that we had to take a different approach because of the enormous strength of organized crime in this area," said Kenneth P. Walton, deputy assistant director of the FBI in New York. "I candidly believe the end result will be devastating for the five families, but it also raises questions about what the FBI has been doing for 60 years. I don't have the answer to that."

Until the late 1970s, the agency gave a low priority to investigations of organized crime. Critics said that, under the leadership of J. Edgar Hoover, who was the director of the bureau from 1924 until his death in 1972, the FBI avoided in-depth investigations of organized crime because of the difficulty of penetrating these closely knit, secretive groups.

Investigations were thus left largely to the local and state police, who often lacked the necessary personnel and technical resources.

William H. Webster, FBI director since 1978, said last year that organized crime was one of the agency's main priorities.

Mr. Sheer said the yearlong investigation in the city, on Long Island and in Westchester County had "showed convincingly" that the five crime groups in the metropolitan area "are stronger than organized-crime organizations anywhere else in the country."

"What don't they control?" he said. "They are entrenched in many of the major businesses and labor unions in this area. They are also deeply into narcotics trafficking, loan sharking and pornography. What they do directly or indirectly affects all of us, and their illegal activities corrupt our society."

The five families under investigation were identified by officials as the Gambino, Genovese, Lucchese, Colombo and Bonanno groups, all named after former leaders. More than 4,000 reputed criminals are involved with the groups, officials said.

Despite precautions by the crime leaders, the FBI has penetrated their secrecy, said Frank J. Storey, a special agent involved in the investigation.

"They can't make unilateral decisions," he said. "Most of all, they are greedy and they have to meet to make decisions. For a long time, we

Crowds Jam Streets of Manila as Aquino Is Buried

By William Chapman
Washington Post Service

MANILA — Benigno S. Aquino Jr., the slain opposition leader, was given his final honors as a political martyr Wednesday and buried after a funeral procession that drew hundreds of thousands of admirers into the streets.

Ten days after he was slain at the Manila International Airport, Mr. Aquino's body, in a flag-draped coffin, was driven on a 19-mile (30-kilometer) parade that took 11 hours and ended with a simple ceremony at a cemetery vault.

The long march was free of trouble. Crowds, singing patriotic songs, cheered when Mr. Aquino's coffin approached. Again and again the streets thronged with shouts of "Ninoy," his nickname.

There were also signs of political protest against Mr. Aquino's longtime adversary, President Ferdinand E. Marcos. But the dominant mood was one of affection, not grief or anger. It was perhaps best summed up by the hundreds of signs and T-shirts bearing Mr. Aquino's picture and a simple phrase in Tagalog, the native language: "Ninoy, you are not alone."

Late Wednesday night, 1,000 to 2,000 students threw stones and bottles and burned tires in a demonstration a few blocks from the presidential palace. Some homemade explosives were thrown and the police responded with fire hoses and clubs. The sharp cracks of what sounded like gunfire could be heard at one point. The police blocked off all streets leading to the palace.

As the funeral procession crossed Rizal Park near Manila Bay, some in the huge crowd brought the Philippine flag to half-mast in salute to Mr. Aquino, a politician who had wanted to become president but who had spent the last decade of his life either in prison or in self-exile in the United States.

A drenching downpour, accompanied by lightning and thunder, occurred at one point and a man was killed when a lightning bolt struck the tree he had climbed for a better view.

Mr. Aquino was shot to death Aug. 21 as he emerged under guard from an airliner. The government asserts he was slain by a man who had a record as a hired killer.

But with many questions unanswered and a high-level investigation yet to begin, the government version has aroused widespread skepticism. Many suspect some form of government complicity.

Mr. Marcos's 18-year regime has a record of jailing and harassing political opponents and its reputation for stifling dissent was attacked in the funeral homily delivered by Cardinal Jaime L. Sin, the Roman Catholic archbishop of Manila.

Looking out from over Mr. Aquino's casket, the cardinal referred to an "atmosphere of oppression and corruption, the climate of fear and anguish" and said that the Filipino "has become an exile in his own country."

"In his own land," said the cardinal, the Filipino "must only whisper — and never shout — what is true. He must tremble before those who were sworn to serve him and he must hide his children if they refuse to bow down to tyranny."

Mr. Aquino, he added, had "personified the Filipino's courage in the face of oppression."

In the coffin, the top part of Mr. Aquino's body was visible through a sheet of glass and his face was scarred where the fatal bullet had emerged. He had been shot from the rear, behind his left ear.

U.S. Ambassador Michael H. Armistead attended the funeral Mass, along with several diplomats from Europe and Japan, but there were no official delegations from the Philippines' Southeast Asian neighbors.

During the 90-minute ceremony, Mr. Aquino's widow, Corazon, described her last talk with her husband. She recalled telling him on the telephone that the Philippine military had announced it would send him out of the country on the same plane he would arrive on.

"He said they would never do that to him because he was, is, and will always be a Filipino," Mrs. Aquino said.

The opposition to Mr. Marcos distributed statements calling for him to resign and appoint a caretaker government. "We hold Mr. Marcos's one-man rule politically responsible for the cold-blooded murder" of Mr. Aquino, it said. "This is the last straw."

■ **Galman's Family Missing**
The chairman of the presidential commission investigating Mr. Aquino's death, Chief Justice Enri-

Foe of Marcos Says Regime Plotted to Slay Him

By Fox Butterfield
New York Times Service

WASHINGTON — A former foreign minister of the Philippines who now heads a group opposed to President Ferdinand E. Marcos has charged that the Philippine government plotted to kill him in the United States.

Raul S. Manglapus, a founder of the Movement for a Free Philippines, said at a news conference Tuesday that the order to kill him had come from General Fabian C. Ver, now the chief of staff of the armed forces and a close associate of Mr. Marcos. Mr. Manglapus said he had learned about the plan from the intended assassin, a Filipino-American.

At the news conference Mr. Manglapus introduced Eduardo Quintero, a former deputy ambassador to the United States, who said he had also talked with the intended assassin, Mr. Quintero said he first learned of the plot in 1978 when he was introduced to the man, George Torre, in Chicago. Mr. Torre was said to have told both Mr. Quintero and Mr. Manglapus that General Ver had offered to drop a murder charge against him in Manila if he agreed to kill Mr. Manglapus.

Mr. Manglapus and other Filipino-Americans have accused the Marcos government of using its diplomats to harass Filipinos in the United States by threats and bribery and by spying on their activities.

Their charges are often difficult or impossible to verify. But last week two former high-ranking Carter administration officials said the United States intercepted messages from Manila to Philippine agents in this country five years ago ordering them to harass opponents of Mr. Marcos.

At the same time, a 1982 Defense Intelligence Agency report was made public indicating that the Pentagon believed the military attacked to the Philippine Embassy.

Brigadier General Angel G. Kanapi, had been directed to operate against anti-Marcos dissidents in Washington.

The disclosures followed the assassination Aug. 21 of Benigno S. Aquino Jr., the main challenger to Mr. Marcos, as he returned to Manila after three years of self-imposed exile in the United States.

Another leader of the Movement for a Free Philippines, Heherson Alvarez, who was not at Tuesday's news conference, said pressure by Marcos agents had created "an atmosphere of fear among Filipinos in the United States." Many of his group's members used false names when they joined because "they have been intimidated," he said.

In 1974, when he arrived in the United States after fleeing from the Philippines, Mr. Alvarez himself began receiving warnings from relatives and Philippine officials. "They told me to be careful, to remember that I had family in the Philippines," he recalled.

Not long after, he said, the mutilated body of his 22-year-old brother was found dumped in front of a church in their home province in the Philippines. His brother, a college student, had been picked up by soldiers the evening before.

The involvement of Philippine officials is often hard to prove, the dissidents acknowledge. Dr. Dante Simbulan, a physician in Washington, said that the day after he testified before the House subcommittee on Asian and Pacific Affairs last June about human rights abuses in the Philippines, his house was burglarized.

Dr. Simbulan, who was imprisoned in the Philippines for several years when Mr. Marcos declared martial law in 1972, then began receiving calls in the middle of the night. He finally changed his number, but the calls continued for three weeks. He said he could only speculate that the calls were coming from Philippine agents.

British Task Force Sails; Navy's Abilities Debated

By Reuters

LONDON — A powerful British naval task force led by the carrier HMS Invincible sailed Thursday for the Far East amid denials by the British government that the ships' absence would leave North Atlantic defenses weakened.

The Invincible, Britain's most powerful warship and a key participant in the war over the Falkland Islands, will make stops in Gibraltar, Bombay, Penang, Malaysia, Singapore and other ports before arriving in Australia to spend Christmas. The task force may join exercises with Australian, New Zealand and American units, military sources said.

Accompanying the Invincible, which will carry Harrier jump-jets, will be three frigates and three supply ships; a fourth frigate will join the flotilla in the Indian Ocean. The force will show off British defense equipment and is also intended to serve as a demonstration of Britain's ability to send a naval force to any part of the world.

But Britain's ability to do just that without leaving its North Atlantic defenses severely weakened has been questioned in several press reports. One report quoted an unnamed authoritative source as saying the absence of the task force would "demote" the navy, and other reports said it would place a heavy burden on Dutch, Belgian and West German fleets.

The Defense Ministry has denied those assertions. "There will be many other ships available," a ministry spokesman said Wednesday, "and we will continue to meet our NATO tasks."

The issue has spotlighted a continuing dispute about what sort of navy Britain should have. The country's North Atlantic defenses were sorely stretched during the Falklands conflict, and remain so because 12 vessels are being kept in the South Atlantic to guard the

Falklands against a possible Argentine attack.

With 63 surface warships, the British navy is hard-pressed to meet all its defense obligations, defense analysts say. This is true despite the fact that plans have been dropped to sell the Invincible to Australia and scrap some front-line surface ships.

■ **Bombs Explode at Bank, Office, Home in London**
The Associated Press

LONDON — Bombs exploded in London early Wednesday at an Israeli-owned bank, the office of a diamond merchant and the home of an American businessman. No one was injured.

The most serious explosion was at the Leumi Bank near Oxford Circus. The ground floor was damaged and windows were shattered in nearby buildings.

"Jane's Fighting Ships," the influential naval reference book, charged last week that defense policies had emasculated the navy, and it accused politicians of "lamentable failure to appreciate the role of sea power in affairs of state."

Its editor, Captain John Moore, said the navy was deficient in carriers, minesweepers, airborne early warning craft and other equipment, and lacked the balance needed for a general maritime role.

But Prime Minister Margaret Thatcher, while considered hawkish on defense, is trying to trim state spending for next year, and the indications are that few Britons would object to cuts in the defense budget. In a recent public opinion poll, 46 percent of those questioned said Mrs. Thatcher was spending too much on the military and only 12 percent said she should spend more. Military spending is now at £16 billion (\$23.8 billion), or 13 percent of the total budget.

Twice As Much Art for Your Money

WASHINGTON — Flounder rushed into Bass' office at the State Department and cried, "The secretary wants a slide presentation on the elections in Enchilada to show to the American people."

"I anticipated that," said Bass. "I've been putting one together. Sit down."

"This is the Garcia family, which lives in Miami and which financed the Liberal Peasant Assassination Party of Miguel Tortilla."

"Who is Tortilla?"

"He is known as 'The Hammer' because his people like to beat on opposition politicians with hammers. In 1971 we called him Enchilada's 'Criminal of the Year.' But he got 25 percent of the vote."

"Wow, it's going to be hard for us to support him."

"Not necessarily. We found a

WASHINGTON — Every time Secretary of Defense Caspar Weinberger goes abroad, I get the willies. The success of every mission seems to be based on how much U.S. military equipment he can give or sell to the country he visits, as well as his ability to persuade the head of the state he is drinking tea with to build up his armed forces.

I don't mind when Weinberger does a selling job on a Third World power, but I start shaking when he puts pressure on a country like Japan to get its military act together.

This is what Secretary Weinberger has just done on a trip to Tokyo. He wants the Japanese to rearm and become a military power to be reckoned with.

To those of us who served in World War II, memories die hard when it comes to allowing a power-

each copy. Up to 42% off, to be precise. Twice as many Tribs for your money.

Join the global who's who of thought-leader readers who turn to each morning's Trib for the latest in objectively reported world news, briskly written opinion, the day's closing business tabulations, buy-and-sell reports from the international market-place, at-the-stadium recaps of just-completed matches, what's happening in the world of culture — and all in an international perspective.

Double the value of the Trib by halving its price. Subscribe now so you don't miss a single issue. Major credit cards accepted. Just fill out the coupon below and mail. For maximum savings, subscribe for a full year. This cut-price subscription offer is for new subscribers only.

By purchasing this Trib at a newsstand, you're already enjoying a rare bargain — the whole world in just a few tightly written, fact-packed pages. You're reading a product created by scores of journalists working day and night from dozens of distant datelines to bring you a compact compilation which can be purchased for the price of a cup of coffee.

But why not double the bargain? Enjoy twice as many newspapers with double the headlines, business trends, candid commentary, high fashion and comic strip hi-jinks, and Art Buchwald three times a week, too.

By subscribing to the International Herald Tribune for six months or a year, you save almost half the newsstand price on

INTERNATIONAL Herald Tribune
Published With The New York Times and The Washington Post

To: Subscription Manager, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Nanterre Cedex, France. Tel.: 747.12.65. Telex: 612832.

Please circle below the time period and reduced subscription price selected.
(Rates valid through April 30, 1984)

COUNTRY	1 year	6 months	3 months
Austria	A.Sch. 3,050	1,525	840
Belgium	B.Fr. 6,600	3,300	1,815
Denmark	D.Kr. 1,400	700	400
Finland	F.M. 1,080	540	300
France	F.Fr. 930	450	250
Germany	D.M. 400	200	110
Great Britain	£	72	36
Greece	Dr. 10,800	5,400	2,950
Ireland	IrL. 90	45	25
Italy	Lfr. 195,000	97,500	53,700
Luxembourg	Lfr. 3,300	1,650	915
Netherlands	Fl. 450	225	124
Norway	N.Kr. 1,160	580	320
Portugal	Esc. 10,000	5,000	2,750
Spain	Ptas. 16,250	8,125	4,480
Sweden	S.Kr. 1,160	580	320
Switzerland	S.Fr. 356	178	98
Rest of Europe, North Africa, former French Africa, U.S.A., French Polynesia, Middle East	\$	280	140
Rest of Africa, Canada, Latin America, Gulf States, Asia	\$	390	195

☐ Yes, I would like to accept your bargain offer. Please send me the International Herald Tribune for the time period and at the reduced price circled on this coupon.
☐ My payment is enclosed. (Check/money order to the I.H.T.)

Please charge my ☐ ☐ ☐ ☐

Card account number

Card expiry date Signature

My name

Address

City

Job/Profession Nationality

Company activity

U.S. Believed British Loans Gave De Lorean Unfair Edge

United Press International

LOS ANGELES — British loans made to John Z. De Lorean before the automaker was arrested in an alleged \$24-million cocaine scheme gave him an "unfair" advantage against the U.S. automobile industry, according to State Department cables disclosed in federal court.

Officials at the U.S. Embassy in London cabled the State Department in 1978, saying, "It is the embassy's view that the U.K. government payments also would directly benefit De Lorean car exports by permitting lower prices and give him an unfair government-financed advantage over U.S. competitors in the U.S. market."

Mr. De Lorean was arrested in October 1982 for his alleged involvement in a scheme to import and distribute 220 pounds (about 100 kilograms) of cocaine. Government prosecutors said the plan was a desperate attempt to get money to revive his failing car company in Northern Ireland.

Howard Weitzman, Mr. De Lorean's attorney, has contended that the U.S. government was "hostile" to Mr. De Lorean and framed him. He is attempting to obtain thousands of U.S. government documents that he contends will prove his contention.

BRUSSELS

Sheraton Style

JOUEUSE DE MONSIEUR POSTAL 1983

Conveniently located close to the EEC Headquarters in the heart of the city. Featuring the exclusive "Tower Service" with beautifully decorated rooms and extra special service. Enjoy the view of the city while relaxing by our pool, and complete your day with a truly exquisite dinner in one of our elegant restaurants.

For reservations and information call
6-079-2800 **0611-295306**
in Paris in Frankfurt

01-636-6411 **185063**
in London in Munich

Or call your local Sheraton Hotel or Reservation office, or your travel agent.

Brussels Sheraton

3 Place Rogier, B-1000 Brussels
Tel.: 02/219.34.00 Telex: (846) 26587

SCIENCE

Artificial Intelligence: Exploring Labyrinth of the Mind

By James Gleick
New York Times Service

YOU'RE looking at a newspaper comic page and your eye falls on today's Jumble. It's an anagram puzzle. You have to turn a few scrambled letters into a word. LOONDERK. A tough one. KRONDOLE. KNOODLER. Close. Patterns form and reform in your mind. In this case there isn't even a word there, but at least the patterns look like words. Implausible combinations like EOKDNILRO and NRDOEOKL never leap to mind. This isn't like doing arithmetic — there are no rules to tell you how to make these patterns. No conscious logic decides how to tear the letters apart and put them back together. It just happens, with a delicacy that belies the power of the decision-making. The regrouping is fast, subtle and fluid.

Or so it is when Douglas R. Hofstadter, computer scientist and Pulitzer Prize-winning author, does Jumbles. "I have an unbelievably rapid way of exploring the space," he says, writing KNOODLER on his blackboard at Indiana University. "These words just appear in front of me. Then something else appears, or two or three things, over and over again, new possibilities and new combinations — and always English words or close to them." He looks at the letters. "I don't make any conscious decisions — I don't say, well let me try this, let me try that. Instead, instantly, the whole word is built in my mind — like that."

In the blossoming field of artificial intelligence, it's no longer astounding to hear about computers imitating anything from a psychiatrist to a schizophrenic. Yet some of the abilities that add up to intelligence — abilities as simple as recognizing the letter A, or predicting the next number in a sequence (1-2-2-3-3-5-7), or doing Jumbles — have stayed as mysterious as ever. Generally, what people can do without thinking, computers cannot do at all.

So Dr. Hofstadter is writing a computer program that will try to unscramble Jumbles. In one way, it's a trivial problem. It would be easy to let a computer solve Jumbles by mechanically listing every possible permutation of the letters and checking the results against a dictionary of English words. A program like that, relying on raw, stupid computing power, wouldn't even qualify as artificial intelligence — it would be like untying shoelaces with a buzz saw. Dr. Hofstadter wants his program to do its thinking the same way he does, deep below the level of

consciousness, without logic but with fluidity. He wants a program with an understanding of how words are put together — a program that won't waste a millisecond on ODKNRLRO, but will pause seriously to consider KNOODLER. Above all, he wants the mental juggling and the flash of inspiration.

In lectures around the country and in an especially provocative paper not yet published, Dr. Hofstadter has begun causing a stir in the academic world — not in his own field, where his ideas are far from popular, but among some philosophers of mind, who believe he is claiming a territory all his own at the increasingly busy crossroads of artificial intelligence, neuroscience and philosophy.

CAN machines be taught the most human of human traits — creativity, inspiration, imagination? How does a brain of neurons and synapses come to be aware of itself as a mind? In seeking answers to such questions, Dr. Hofstadter — a 38-year-old associate professor of computer science, with a background in mathematics and physics, a love of music and language, and a weakness for puns is an unlikely philosopher. But in his own modern way, he is reinventing the human soul.

"A lot of people believe that there is nothing going on when you perceive," he said, stepping from his blackboard to a desk covered with papers and unanswered mail. "They say, 'I see a book there. It's instant! It doesn't take any time at all! There can't be any processing or computing going on there. It's just obvious.' Yet whatever unconscious process manages such tasks is so subtle and so powerful that it has eluded the best efforts of artificial intelligence."

The challenge presented by the revolution in artificial intelligence is to show how one might create a mechanical model for the mind — and not just any model, but one that expresses all our wonder at the spark of human inspiration and the power of human will.

Dr. Hofstadter's first book on these matters, "Gödel, Escher, Bach: An Eternal Golden Braid," published by Basic Books, won the 1980 Pulitzer Prize for general nonfiction and then went on to indisputable distinction as the hardest-to-read book ever to spend five months on the trade paperback best-seller list. The book is a richly woven enigma, exploring Bach's fugues, M.C. Escher's drawings and Kurt Gödel's incompleteness theorem, the ultimate spoilsport of modern logic, which declares that any at-

tempt to build a complete and consistent logical system will inevitably be ruined by undecidable propositions. Riddled with wordplay, mixing mathematical discussions with fanciful dialogues, "Gödel, Escher, Bach" carries readers through the central problems of contemporary philosophy of mind.

In the meantime, there is much disagreement inside and outside of the technical community about just what computers can do. "These are days of hype about computers," Dr. Hofstadter said. "People are being asked to change overnight from a view of computers as basically stupid to the idea that computers are our partners in evolution. Not enough people are saying, wait a minute, how do we really think, what is consciousness, where does our sense of self come from?"

Industry needs computer programs that work now, not programs that point the way to a cognitive science of the future. And the quickest way to make a program accomplish a sophisticated task is to write a sophisticated set of instructions for the computer to follow, step by step, one after another.

"THE problem is," said Roger C. Schank, head of Yale University's artificial-intelligence laboratory, "what you've done at that point is just written down a set of rules. You haven't got a system that can then form its own rules. What you get now are machines that are intelligent enough to do some stuff, but not intelligent enough ever to surprise you."

Mr. Schank, who has also formed a private company, Cognitive Systems, agrees that expert systems are leaving the most important issues of intelligence untouched. He believes the answer is to keep writing rules, but more flexible ones — rules that will tell the computer how to learn and change.

Dr. Hofstadter describes a different approach, based on his view of the subconscious processes of our own minds. Reasoning comes not first but last. Instead of beginning with an overall algorithm, or set of rules, he begins with many small pieces of computer code acting almost independently.

"What you do is, you write a lot of algorithms for little teeny structures and then you allow them to interact in a certain way. You also write the algorithm for how they interact, but you let them, in some sense, swim and interact together. In essence, you let them conditionally interact with each other, and it's the sum total of how they work together that creates intelligence."

In the anagram program, which he calls "Jumbo," one tiny part — a "spark" — might pick a couple of letters and put them together. Simultaneously another spark might be looking at other letters, or groups of letters.

Meanwhile, a higher-level part — a "flash" — might be checking a couple of sparks. "There are quick tests for affinity and slightly longer tests for affinity. You can imagine such tests at all levels."

All the time, groups of letters might be formed and broken apart again until gradually, out of the simultaneous swimming together of the many parts, a pattern begins to emerge. No one is telling the computer to create a certain kind of pattern. No one knows exactly what kind of pattern will be created. It just happens. Or would, if the program worked as well as Dr. Hofstadter hopes it will. So far, it doesn't,

and most of his colleagues — including Mr. Schank — believe that they are on firm ground in viewing his approach with skepticism.

But some, like Marvin Minsky, Donner professor of science at Massachusetts Institute of Technology, believe that history will be on Dr. Hofstadter's side. They argue that expert systems, no matter how impressive they seem, will be a dead end, never learning to find the deep connections between concepts, recognize patterns, carry tasks beyond the instructions set for them.

"Hofstadter's philosophical ideas on how the mind works are just about the best in the world today," Dr. Minsky said. "He's laying out the future — and people are not reacting because there are too many details to do first."

For philosophers who believe that intelligence can be mechanized, a stumbling block has always been the question of who will be doing the programming for an intelligent computer — when a machine is thinking, who is telling it what to think? Where is the "I"? It is a machine version of one of the most ancient philosophical conundrums — a mind-body problem in the tradition of Plato and Descartes.

The exploration of processes below the level of conscious thought may begin a path to the deeper problems of mechanizing inspiration and self-awareness. That is the prospect that so tantalizes philosophers.

Some of these issues are raised in a new paper by Dr. Hofstadter with the mechanistically forgettable title, "Artificial Intelligence: Subcognition as Computation." It will not be published until fall, but copies have already circulated through several layers of the academic world, stirring special interest among some philosophers of mind.

Dr. Hofstadter argues that artificial intelligence has been caught up with mimicking logic and deduction, at the expense of the more mysterious processes of subcognition. It is a sharp critique. "It is my belief," he says, "that until AI [artificial intelligence] has been stood on its head and is 100 percent bottom-up, it won't achieve the same level or type of intelligence as humans have." Needless to say, in the artificial-intelligence world, the paper's reception has not been warm.

THE response from the technical community generally runs something like this: Dr. Hofstadter has demonstrated no useful working program. He makes strong claims about where true intelligence will and will not be found, but does not back them up with technical work. He offers theories that appeal to philosophers, but philosophers do not have the same need for scientific proofs.

"What saddens me," Dr. Hofstadter says, "is that so many AI people seem trapped in their already-formed modes of thought and their preconceptions. They tend to eschew the whole question of what consciousness means. They avoid the questions of philosophy of mind."

Most educated people today accept the idea that the brain is purely a thing of flesh and blood, neurons and axons and synapses. For most, religious faith in a noncorporeal soul is no longer the answer it may have been a century ago. The problem is to reach a modern understanding of how the glories of the mind might spring from pure matter. For anyone with a view of the mind as creative and self-aware — anyone, that is, with the vista on the soul that comes



Douglas R. Hofstadter

from looking inward — it is extremely unsatisfying to think of it as nothing but electrical impulses and biological tissue.

"Tissue isn't quite the right word," Dr. Hofstadter remarked. "Pattern, I would say."

Dr. Hofstadter's sense of the soul as pattern is the core of his view of how thoughts and symbols might be built up from the physical structures that neuroscientists see in their microscopes. It hardly matters whether the pattern is rooted in the firing of neurons or the marching of ants. Or the switching of silicon chips.

Whatever the medium, Dr. Hofstadter's path to consciousness begins, not with reasoning, but with a level of stupidity and randomness. In an ant colony, to use the example Dr. Hofstadter develops at length in a key section of "Gödel, Escher, Bach," we begin with ants. Consider a team of ants — a "signal," Hofstadter names it — carrying a piece of food from one part of a colony to another.

A piece of food moves two feet across a colony. An antologist watching it can describe that bit of behavior just that way, without any reference to the complicated underlying activity of scurrying ants. In the same way, some abilities at the top of human consciousness can be described with rules — the ability to manipulate numbers, to reason logically — and the rules are easy for computers to handle. But the rules are the end of the story, not the beginning. To focus on them exclusively is to sacrifice the potential richness of true intelligence.

12,000-Year-Old Organisms Revived

Reuters

MOSCOW — Soviet scientists in the Antarctic have succeeded in reviving organisms frozen in the ice 12,000 years ago, the Communist Party daily Pravda reported. It said researchers had found microscopic fungus spores in samples of ice taken from a depth of about 400 meters (1,300 feet) at the Vostok polar station. Once thawed out and placed in a nutrient mix the spores started to germinate, the report said. A similar experiment is under way in an attempt to revive 50,000-year-old organisms, Pravda said.

Estimates of Dangerous Waste Quadruple in U.S.

By Philip Shabecoff

New York Times Service

WASHINGTON — The amount of hazardous waste being generated in the United States is nearly four times higher than previously estimated, according to the Environmental Protection Agency.

Preliminary findings of an agency survey said 150 million metric tons of hazardous waste, which is equal to 40 billion gallons, including toxic chemicals, solvents and corrosive agents, were generated across the country in 1981. Previously, without benefit of the information now supplied by waste producers and handlers, the agency had put the amount at 40 million tons.

The 150 million tons does not include hazardous waste produced by small manufacturers who generate 2,000 pounds (about 900 kilograms) or less a year; incinerated chemicals and other hazardous substances not covered by agency regulations; and wastes disposed of by illegal dumpers.

However, John Skinner, director of the agency's office of solid waste, said, "We do not see any cause for alarm" in the findings and added there was no evidence "that we are about to be overwhelmed by these large quantities of waste." He said the findings suggested that most of the waste was being properly managed.

But a number of congressmen and others said Tuesday that the survey's findings on the magnitude of the hazardous waste problem and information it disclosed on the handling of those wastes had far-reaching implications for regulatory and legislative action.

Senator Robert T. Stafford, a Republican of Vermont, the chairman of the Senate Environment and Public Works Committee, said the new information underscores the need for proposed amendments to the Resource Conservation and Recovery Act to discourage disposal of wastes on land sites.

Representative James J. Florio, a Democrat of New Jersey, the chairman of the House Energy and Commerce Committee's commerce

and transportation subcommittee, also said the survey indicated the need to change the hazardous waste management law. In addition, he said that William D. Ruckelshaus, administrator of the Environmental Protection Agency, should tell the White House that much more money and personnel must be devoted to the problem.

At briefings Tuesday on the preliminary findings for congressional staff aides, industry representatives, environmentalists and trade publications, agency officials said the results were based on a sample and subject to statistical error.

But several officials of the agency said the actual amount of waste generated was likely to be higher rather than lower than the amount disclosed Tuesday.

From the survey, the agency estimated that 14,100 regulated manufacturers generated hazardous waste in 1981, far fewer than the nearly 60,000 companies that filed forms with the agency saying they were generating wastes, or were intending to.

Red Cross Recalls Some Blood Units In U.S. After a Donor Dies of AIDS

United Press International

WASHINGTON — The American Red Cross has recalled nearly 6,000 units of a plasma compound for hemophiliacs distributed across the nation because one of the donors died of AIDS.

A Red Cross spokesman said Tuesday the recall of 5,992 vials distributed to 15 of the Red Cross's 57 regions was a precautionary measure carried out "in the best interests of ensuring a safe blood supply."

The donor in question had died of acquired immune deficiency syndrome 10 months after giving blood, the spokesman said. He had made his donation six months before the organization began screening for high-risk donors.

The syndrome strikes mainly homosexual men, but also has become a major concern for hemophiliacs, many of whom must rely on transfusions for the substances necessary for blood clotting.

The special antihemophilic plasma is prepared from a pool of blood plasma donations. The Red Cross keeps track of the donors who contributed to each batch and was able to identify which vials may have been contaminated.

"I believe this is a prudent step taken to ensure that hemophiliacs receive the safest AHP possible," the president of the Red Cross, Richard Schubert said.

The Red Cross supplies 50 percent of donated blood nationwide. The rest is supplied by private and community collection centers.

workers laid off by their employers. A man or woman employed by a company with more than 25 workers can expect three-and-a-half years' salary after 28 years of service. A rate of 36 days' salary per year is paid by companies employing fewer than 25 people.

"This can represent an enormous cost, especially to small companies," the employers' confederation spokesman said, "and there are many cases in which they literally go bankrupt under the strain."

The heavy financial penalties for dismissing workers has created a

cozy job-for-life mentality in Spain, where almost anybody but bullfighters can snap out their careers with an employer.

The employers say this civil service-type structure is a hindrance in an age of recession and fast-changing technology.

The Socialists have not yet spelled out officially how they plan to relax the regulations.

Sources said the government was considering allowing, unadvised dismissal in certain cases and enabling companies to hire workers indefinitely on temporary contracts.

Madrid Angers Unions With Labor Law Plans

By Brian Mooney

Reuters

MADRID — The Socialist government has incensed Spanish labor unions by floating proposals for legislation that would make it easier for companies to hire and dismiss workers.

The government's more conservative economic strategists believe that liberalization of labor laws would, in the long run, create more jobs for the 2.16 million jobless Spaniards. At 16.5 percent, the unemployment rate in Spain is the highest in Europe.

Employers have supported the government argument that Spanish businessmen are wary of taking on new workers, even when there is a need, for fear of being stung later for huge severance payments.

Government sources said that Prime Minister Felipe Gonzalez regarded the relaxation of the stringent labor laws as an essential step toward fulfilling an election pledge to create 800,000 new jobs in the four-year term of office he began in December.

But the two powerful Spanish unions, the General Union of Spanish Workers, or UGT, and the Communist-dominated Workers' Commissions, responded to the government plans with a chorus of protest and warnings of strikes and demonstrations.

"We would use every means of

protest available," warned Marcelino Camacho, secretary general of the Workers' Commissions. "It's pure monetarism."

Mr. Camacho said that experience in other countries showed that jobs were not necessarily created when companies could hire and dismiss freely. "All that's proved is that profits go up," he said.

The UGT's secretary for industrial relations, José María Zufaur, said he thought the laws were already flexible enough.

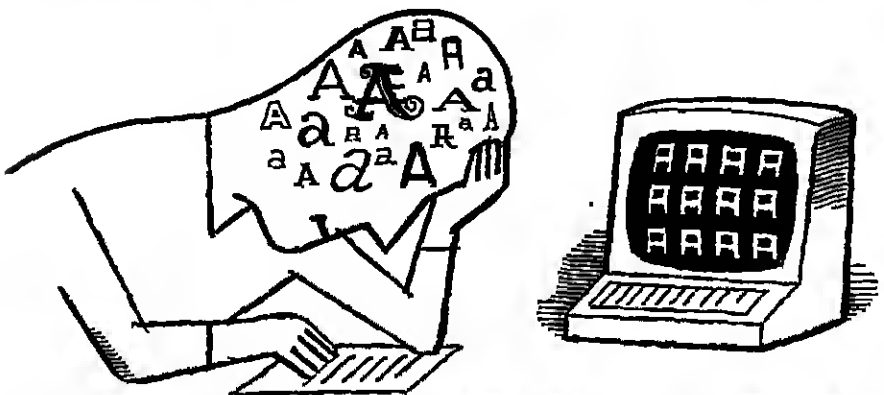
"Employers are campaigning for liberalization not so much to hire those out of work but to make it easier to fire their workers," Mr. Zufaur said.

The Spanish Confederation of Employers' Associations, said that union objections were misplaced. It said that current labor legislation — much of it derived from laws of the Franco era — was stacked too much in favor of the worker.

"We are confident that any moves toward greater flexibility would create more jobs," a spokesman for the employers' confederation said.

The confederation said that labor courts, which adjudicate in cases of contested dismissal, were awarding an average of two million pesetas (\$13,300) per worker whether or not the dismissal was merited.

Labor legislation determines the level of severance payment owed to



The mind can immediately recognize the letter A in any of its countless forms but no computer can identify the underlying pattern that makes an A an A.

NEW YORK Herald Tribune European Edition

Soviet Army Crushing Hungarian Revolt; British, French Troops Embark at Cyprus

Leaflets Warn Cairo to Give In

U.K., Paris To Reject UN Pleas

Pinara Declares Nothing Changed

Nagy Cabinet Captured; Kadar Becomes Premier

Dulles Has Operation On Cancerous Tissue

"THE FRONT PAGE 1887-1980"

MAJOR EVENTS OF THE PAST CENTURY AS REPORTED IN THE INTERNATIONAL HERALD TRIBUNE

Reproductions of 129 front pages, many with Herald Tribune exclusive articles: like the first-hand report from the sinking Titanic, the Dreyfus trial, the Venice campanile caught in mid-collapse by a Tribune photographer!

Follow coverage of the First World War by one of the few newspapers that stayed in Paris and was virtually edited at the front.

Read about people - Queen Victoria, Lindbergh, Jack

the Ripper, the Windsors, Stalin - a century of news headlines and the events that surrounded them.

Hard cover, 28x38 centimeters, readable-size text. The book is divided into five chronological sections. Each with an introduction describing the period from historical and journalistic viewpoints.

THE FRONT PAGE is a distinctive personal or business gift. Order one - or several - today. Use the convenient coupon below.

Rebel Radios Heard In Calls for UN Aid

Oklahoma and Tech Win After Close Calls

U.S. Football

THE FRONT PAGE

U.S. \$32 or equivalent in any European currency - plus postage: in Europe, please add \$2.50 or equivalent for each copy; outside Europe, please add \$8 or equivalent for each copy.

Complete and return this coupon with your check or money order in the currency of your choice to: International Herald Tribune, Special Projects Department, 181 avenue Charles-de-Gaulle, 92251 Neuilly Cedex, France.

Please send me _____ copies of THE FRONT PAGE 1-9-83

Name: _____

Address: _____

City and Code: _____

Country: _____

Herald Tribune BUSINESS/FINANCE

THURSDAY, SEPTEMBER 1, 1983

Statistics Index
Page 7

WALL STREET WATCH

By EDWARD ROHRBACH

Oil Stocks Outperformed the Market But Most Analysts Now Are Cautious

Since the 100-point tipoff from its late-July peak, the general stock market has been sputtering low and slow. But the oil stocks have remained high flyers, crisscrossing 5 to 10 percent in August over Wall Street's general performance.

Since early spring, in fact, oil stocks have been outperforming the market every month, with some of the biggest gains in the group's hardest-hit sectors. While the Standard & Poor's 400-stock index rose 8.1 percent in the five months since late March, the S&P Oil Well Equipment and Services Index jumped 46.7 percent and the S&P Off-Shore Drilling Index 43.2 percent.

Charles Maxwell, vice chairman of Cynus J. Lawrence Inc., cited these reasons for the oil stocks' rally: expectations of a petroleum-price drop gradually evaporating, profits forecast next year for the industry after several years of losses, renewed fears about inflation with the stocks regarded as a hedge, and the overall bull market, which has spotlighted the issues as laggards in the rally that are "under-owned and undervalued by the big institutions."

Mr. Maxwell, however, no longer considers the oil stocks lovable. In March he issued a general buy recommendation on the stocks, but for a "trending rally," he thinks is about over. "It's gone a little longer and a little further than we projected," he said. "The oils have returned to an equilibrium."

The outlook over the next one to three years, he added, is "neutral at best." In the next term, however, he showed the possibility of a "last hurrah" for the oils if Iraq, out of desperation in its war with Iran and armed with new French weaponry, sinks a tanker in the Gulf.

That would send oil up 10 to 15 percent over two to six weeks, he predicted, with U.S. domestic and Canadian shares benefiting most.

Mr. Maxwell's recommendations left in the oils are three domestic oil refiners: Amstar, Hess, Kerr-McGee and Ashland.

John Weller, managing director at Morgan Stanley, echoed the same warning about oil issues in light of their run-up. "Be careful and very price-conscious," he said. "The stocks are no longer vastly undervalued."

However, if demand continues to pick up as the Department of Energy is forecasting (by 4% percent in the fourth quarter) and the Organization of Petroleum Exporting Countries can keep control of the price, he likes their prospects long term.

Focusing on Off-Shore Sector

Mr. Weller, who specializes in analyzing oil service and drilling stocks, is recommending Schlumberger and Halliburton in the first group, none among the land drillers, but Rowan, Tidewater, Sedco, Ocean Drilling & Exploration, and its parent, Murphy Oil, in the off-shore sector.

Focusing on this last group, he expects price weakness over the next several weeks, probably presenting a buying opportunity. He thinks the big institutions will start favoring the stocks later this year, despite "terrible earnings" ahead in 1984, as demand grows for drilling rigs.

"The big pop in activity would occur next year and continue at a very high level for the next four or five," he said. "Rowan and Tidewater could triple in stock price between now and late 1986 or early 1987."

Barry Good, specialist in international oils at Morgan Stanley, thinks "early timing will be more important than stock selection" in future investments, but still has these favorites: Mobil, Shell, Royal Dutch, Kerr-McGee and Phillips. Thomas Hansen, the first analyst in domestic oils, is recommending (also in order) Louisiana Land, Superior, and Southern Railway. For a smaller offering company, he likes OXOCO.

Oil stocks now look "very fairly priced," he said. Charles Calton, analyst with Sanford I. Bernstein & Co. His only buy is Mobil and Tesoro, "strictly on relatively good earnings growth prospects," as well as Southland and Valero Energy as profit from new refineries roll in.

Mr. Calton noted that oil prices, the first of the year have jumped ahead in three or four "spectacular spurts" running several days. "Oils are so underweighted in the portfolios that whenever there is a glimmer, the institutions chase them," he said.

The biggest bull in the oil patch probably is Stan Weinstein, editor of the Professional Trade Reader. Of the dozen stocks he is recommending, 10 are oil-related: Caltex Petroleum, Damsco Oil, Halliburton, MCO Holdings, Noble Affiliates, Reading & Bates, Rowan, Tidewater, World-Wide Energy and Zapata.

He sees Wall Street "slipping" the next several weeks with the oils at "worst trading sideways," then leading the next stage of the bull market. "You can buy them now, and you should be very aggressive when the correction is over."

Mr. Weinstein, who foresees the decade in energy stocks shortly after they peaked in late 1980 by urging subscribers out (though he was premature this year in January by recommending selected oils), likens the situation now to last summer when Wall Street bottomed, which he also predicted.

Sharp Rally Lifts Dow Over 1,200

United Press International

NEW YORK — The Dow Jones industrial average surged over the 1,200 level Wednesday with its best gain in six weeks following a government report that encouraged investor hopes that inflation is under control and interest rates may have peaked.

High-technology, automobile, aluminum, steel and chemical issues were pacesetters in the rally that carried prices to their highest level since late July. The Dow average, down a point at the outset after gaining 1.93 Tuesday, climbed 20.12 to 1,216.16, the highest since it finished at 1,216.35 on July 28.

The gain was the biggest since the Dow soared 30.74 on July 20 and allowed the closely watched average to escape August with a 16.94 advance compared with a 92.71 surge a year ago when the bull market started. The Dow has risen 31.92 points the past five sessions, the longest winning streak in a month.

Volume, which jumped to 80,800,000 shares 62,370,000 traded Tuesday, was the heaviest since \$2,281,440 changed hands Aug. 18 but below the \$7 million daily average for the year.

Barry Biffin of Shearson-American Express said Monday's volume of only 53,033 million shares, the slowest of the year, "showed the market was not going to go down much further and was a signal for some investors to buy."

The government's report that its July index of leading economic indicators rose 0.3 percent, the smallest gain in a year, sparked the rally "because it shows inflation is under control and interest rates should come down in the near future," said Kevin Keeney of Southwest Securities, Dallas.

"The indicators report encourages investors to believe the Federal Reserve won't have to tighten credit and abort the recovery," said William LaFevre, Purcell Graham & Co. vice president.

The Fed triggered some buying when it pumped money into the banking system to stop a rise in federal funds rates, which had reached 9 1/2 percent.

Diamond Shamrock, whose shareholders approved a merger with Natam, was the most active NYSE-listed issue, up 1 1/4 to 24 1/2. Natam, the second most active issue, rose 2 to 28 1/2.

Digital Equipment, which rose 3 Tuesday, was third on the list, up 4 1/4 to 103 1/4. Goldman Sachs recommended the stock Tuesday after a securities analyst meeting.

Biochip IBM gained 2 1/4 to 119 1/4. Coleco, which is slated to begin selling its Adam home computer soon, gained 3 1/4 to 42 1/4.

Among the other high-technology issues, National Semiconductor rose 1 to 54 1/4, NCR Corp. 2 1/4 to 120 1/4, Motorola 1 1/4 to 130 1/4, Texas Instruments 2 1/4 to 116 1/4, General Electric 1 1/4 to 43 1/4 and Teletype 1 to 157.



KorAm Bank President Kim Mahn Je with Charles R. Yirchott, executive vice president.

Banks' Role Shifting in South Korea Centralized Control Gives Way to Emphasis on Services

New York Times Service

SEOUL — Banking, it is said, is the art of gauging risk, deciding whether a client has plans or dreams and then approving or denying a loan.

In South Korea this art is not highly developed. The reason is that for the past two decades banks here have been essentially instruments of government policy, funneling money into industries marked for rapid expansion.

"Korean banks were public corporations without incentives to innovate and become more efficient," said Kim Mahn Je, president of the KorAm Bank. "But things have changed. From now on, the banks will have to start acting more like banks."

A striking example of the changes in Korean banking is the institution Mr. Kim heads. KorAm, which opened in March, is a joint venture between the Bank of America and 17 South Korean investors, including such major industrial groups as Daewoo and Samsung. With an initial capitalization of \$40 million, it is 49.9 percent owned by the Bank of America.

"The justification for bringing in Bank of America is that the foreigners will introduce new banking methods and know-how," said Lee Kung Hoon, president of Daewoo. "Many people in Korea are watching this experiment, and expectations are high in the government."

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Under the new policy, the government last March finished selling off its holdings in Korea's five major commercial banks. Seoul also is encouraging the establishment of non-bank financial institutions.

But the government still sets overall policy for banking. In current edicts are in line with the goal of decentralizing the economy: Increase lending to small

business, and expectations are high in the government.

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Under the new policy, the government last March finished selling off its holdings in Korea's five major commercial banks. Seoul also is encouraging the establishment of non-bank financial institutions.

But the government still sets overall policy for banking. In current edicts are in line with the goal of decentralizing the economy: Increase lending to small

business, and expectations are high in the government.

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Under the new policy, the government last March finished selling off its holdings in Korea's five major commercial banks. Seoul also is encouraging the establishment of non-bank financial institutions.

But the government still sets overall policy for banking. In current edicts are in line with the goal of decentralizing the economy: Increase lending to small

business, and expectations are high in the government.

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Under the new policy, the government last March finished selling off its holdings in Korea's five major commercial banks. Seoul also is encouraging the establishment of non-bank financial institutions.

But the government still sets overall policy for banking. In current edicts are in line with the goal of decentralizing the economy: Increase lending to small

business, and expectations are high in the government.

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Under the new policy, the government last March finished selling off its holdings in Korea's five major commercial banks. Seoul also is encouraging the establishment of non-bank financial institutions.

But the government still sets overall policy for banking. In current edicts are in line with the goal of decentralizing the economy: Increase lending to small

business, and expectations are high in the government.

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Under the new policy, the government last March finished selling off its holdings in Korea's five major commercial banks. Seoul also is encouraging the establishment of non-bank financial institutions.

But the government still sets overall policy for banking. In current edicts are in line with the goal of decentralizing the economy: Increase lending to small

business, and expectations are high in the government.

KorAm is part of the government's broad program to increase competition and reduce its role in the economy. Previously, centralized control worked well as the government led a forced march toward industrialization. It channeled cheap loans and other benefits to such industries as construction, steel and shipbuilding, all deemed necessary for the formation of an export-oriented economy.

With development, however, the structure of the South Korean economy is becoming more intricate, and further growth will depend on nurturing entrepreneurial, high-technology industries. With these changed circumstances, South Korea's policy-makers have decided that a free-market financial sector, not the government, will be best at allocating resources.

Key U.S. Index Of Economy Up By 0.3% in July

By Jane Seaberry

WASHINGTON — The government's index of leading economic indicators rose 0.3 percent in July, the smallest increase since the recovery began, the Commerce Department said Wednesday.

The small increase may signal the end of the economy's great boom and the beginning of a leveling off period considered normal for this stage of a recovery. It coincides with the recent slowing in homebuilding and consumer purchases. However, government economists said they were slightly disturbed by a drop in business investment activity which should be picking up about this time.

The slowing of the economy follows two quarters of abnormally high growth, with second-quarter gross national product increasing at a 9.2-percent rate. Economists feared that growth continuing at that pace would fuel inflation and lead to a further tightening of the money supply by the Federal Reserve Board. The consequence would be higher interest rates which would blunt any further gains in economic activity.

The leading indicators are supposed to provide a gauge for the future performance of the U.S. economy.

July's modest rise in the leading index is an early indication that the economic rebound of the second quarter will taper to a more sustainable pace, said Commerce Secretary Malcolm Baldrige. "Almost every postwar recovery from recession has had one or two quarters of abnormally high growth, stemming in large part from the behavior of inventories" which had been depleted and which businesses now attempt to rebuild.

However, Mr. Baldrige said the three indicators that decreased were "somewhat disappointing." Net business formation, contracts and orders for plant and equipment and change in sensitive materials prices all decreased. Contracts and orders for plant and equipment contributed the greatest to the decline and consisted mainly of a drop in activity in the aircraft industry which is generally volatile, Mr. Baldrige said.

These indicators should be increasing because they would indicate more future business activity and expansion which would maintain the recovery in years to come. "We'd like to see that coming on more strongly," Mr. Baldrige said. "We should see more signs of capital spending."

The index measuring the speed at which vendors deliver goods to companies remained unchanged.

Agency Probes Leak Charge

Allegations that figures from the report on the leading economic indicators were available before the official release fueled new concern at the Commerce Department, Reuters reported from Washington.

Similar reports have circulated over the past few months and prompted the department to launch an investigation into the matter, a department official said Wednesday.

On Wednesday, the department received word that the 0.3-percent rise in the leading indicators index in July and the revised 1.9-percent June gain were known by some traders in Chicago, New York and on the West Coast prior to the official release.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.

European dealers said the dollar's all-around strength was buoyed by increased nervousness about the fighting in Beirut.

With some economists seeing the dollar breaking through the 99-year highs of more than 2.74 DM touched three weeks ago, currency dealers said the market is growing nervous that central banks will again sell dollars heavily or boost European interest rates to halt the dollar's climb.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.

European dealers said the dollar's all-around strength was buoyed by increased nervousness about the fighting in Beirut.

With some economists seeing the dollar breaking through the 99-year highs of more than 2.74 DM touched three weeks ago, currency dealers said the market is growing nervous that central banks will again sell dollars heavily or boost European interest rates to halt the dollar's climb.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.

European dealers said the dollar's all-around strength was buoyed by increased nervousness about the fighting in Beirut.

With some economists seeing the dollar breaking through the 99-year highs of more than 2.74 DM touched three weeks ago, currency dealers said the market is growing nervous that central banks will again sell dollars heavily or boost European interest rates to halt the dollar's climb.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.

European dealers said the dollar's all-around strength was buoyed by increased nervousness about the fighting in Beirut.

With some economists seeing the dollar breaking through the 99-year highs of more than 2.74 DM touched three weeks ago, currency dealers said the market is growing nervous that central banks will again sell dollars heavily or boost European interest rates to halt the dollar's climb.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.

European dealers said the dollar's all-around strength was buoyed by increased nervousness about the fighting in Beirut.

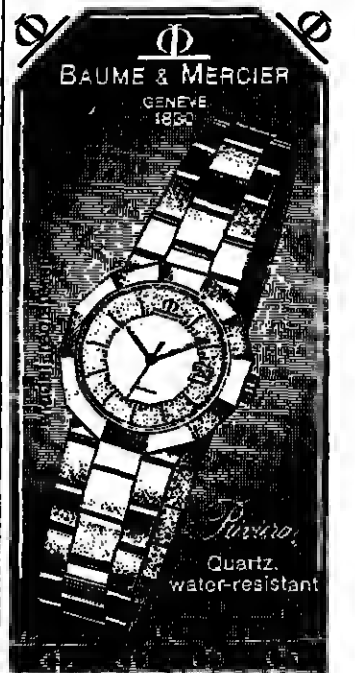
With some economists seeing the dollar breaking through the 99-year highs of more than 2.74 DM touched three weeks ago, currency dealers said the market is growing nervous that central banks will again sell dollars heavily or boost European interest rates to halt the dollar's climb.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.

European dealers said the dollar's all-around strength was buoyed by increased nervousness about the fighting in Beirut.

With some economists seeing the dollar breaking through the 99-year highs of more than 2.74 DM touched three weeks ago, currency dealers said the market is growing nervous that central banks will again sell dollars heavily or boost European interest rates to halt the dollar's climb.

The dollar was fixed Wednesday at 2,706 DM in Frankfurt as the Bundesbank sold \$33.5 million. The bank has sold \$93.6 million at the last four fixings.



The Jeweler you should not miss...

EDWARD JEWELS
Via V. Veneto 187
Tel. 49 38 09
Roma 4640

CURRENCY RATES

Interbank exchange rates for Aug. 31, excluding bank service charges

	\$	DM	FF	Y	Sw	S	DK	Sc
American Express	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of America	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Montreal	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Paris	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Tokyo	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of London	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of New York	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Spain	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Sweden	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Switzerland	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of the Netherlands	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Belgium	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Italy	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Greece	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Portugal	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Austria	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Czech Republic	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Slovakia	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Hungary	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Poland	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Yugoslavia	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Bulgaria	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Romania	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Albania	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of North Macedonia	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Serbia	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Montenegro	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Bosnia and Herzegovina	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24
Bank of Croatia	1.0000	1.7500	11.0000	37.14	6.5639	5.6563	137.46	51.24

NYSE Most Actives

Vol.	High	Low	Close	Chg.
1234	123.45	123.45	123.45	+0.10
5678	567.89	567.89	567.89	-0.05
9012	901.23	901.23	901.23	+0.20
3456	345.67	345.67	345.67	-0.15
7890	789.01	789.01	789.01	+0.08
2345	234.56	234.56	234.56	-0.12
6789	678.90	678.90	678.90	+0.03
0123	012.34	012.34	012.34	-0.07
4567	456.78	456.78	456.78	+0.18
8901	890.12	890.12	890.12	-0.02

Dow Jones Averages

Index	High	Low	Close	Chg.
Indus	1050.12	1048.56	1049.87	+0.31
Transp	320.45	319.87	320.12	-0.07
Util	120.34	120.12	120.23	-0.11
Comp	275.67	275.12	275.45	-0.22

NYSE Index

Index	High	Low	Close	Chg.
NYSE	1050.12	1048.56	1049.87	+0.31
Transp	320.45	319.87	320.12	-0.07
Util	120.34	120.12	120.23	-0.11
Comp	275.67	275.12	275.45	-0.22

Wednesday's NYSE Closing

Vol. of 4 p.m. 80,000,000
Prev. 4 p.m. Vol. 62,700,000
Prev. Consolidated Close 72,471,000

Totals include the nationwide prices up to the closing on Wall Street

AMEX Diaries

Advances	Declines	Unchanged
100	50	20
100	50	20
100	50	20
100	50	20

NASDAQ Index

Index	High	Low	Close	Chg.
NASDAQ	100.12	100.01	100.05	-0.07

AMEX Most Actives

Vol.	High	Low	Close	Chg.
1234	123.45	123.45	123.45	+0.10
5678	567.89	567.89	567.89	-0.05
9012	901.23	901.23	901.23	+0.20
3456	345.67	345.67	345.67	-0.15
7890	789.01	789.01	789.01	+0.08

NYSE Most Actives

Vol.	High	Low	Close	Chg.
1234	123.45	123.45	123.45	+0.10
5678	567.89	567.89	567.89	-0.05
9012	901.23	901.23	901.23	+0.20
3456	345.67	345.67	345.67	-0.15
7890	789.01	789.01	789.01	+0.08
2345	234.56	234.56	234.56	-0.12
6789	678.90	678.90	678.90	+0.03
0123	012.34	012.34	012.34	-0.07
4567	456.78	456.78	456.78	+0.18
8901	890.12	890.12	890.12	-0.02

Dow Jones Averages

Index	High	Low	Close	Chg.
Indus	1050.12	1048.56	1049.87	+0.31
Transp	320.45	319.87	320.12	-0.07
Util	120.34	120.12	120.23	-0.11
Comp	275.67	275.12	275.45	-0.22

NYSE Index

Index	High	Low	Close	Chg.
NYSE	1050.12	1048.56	1049.87	+0.31
Transp	320.45	319.87	320.12	-0.07
Util	120.34	120.12	120.23	-0.11
Comp	275.67	275.12	275.45	-0.22

AMEX Diaries

Advances	Declines	Unchanged
100	50	20
100	50	20
100	50	20
100	50	20

NASDAQ Index

Index	High	Low	Close	Chg.
NASDAQ	100.12	100.01	100.05	-0.07

AMEX Most Actives

Vol.	High	Low	Close	Chg.
1234	123.45	123.45	123.45	+0.10
5678	567.89	567.89	567.89	-0.05
9012	901.23	901.23	901.23	+0.20
3456	345.67	345.67	345.67	-0.15
7890	789.01	789.01	789.01	+0.08

AMEX Stock Index

Index	High	Low	Close	Chg.
AMEX	100.12	100.01	100.05	-0.07

NYSE Most Actives

Vol.	High	Low	Close	Chg.
1234	123.45	123.45	123.45	+0.10
5678	567.89	567.89	567.89	-0.05
9012	901.23	901.23	901.23	+0.20
3456	345.67	345.67	345.67	-0.15
7890	789.01	789.01	789.01	+0.08
2345	234.56	234.56	234.56	-0.12
6789	678.90	678.90	678.90	+0.03
0123	012.34	012.34	012.34	-0.07
4567	456.78	456.78	456.78	+0.18
8901	890.12	890.12	890.12	-0.02

Dow Jones Averages

Index	High	Low	Close	Chg.
Indus	1050.12	1048.56	1049.87	+0.31
Transp	320.45	319.87	320.12	-0.07
Util	120.34	120.12	120.23	-0.11
Comp	275.67	275.12	275.45	-0.22

NYSE Index

Index	High	Low	Close	Chg.
NYSE	1050.12	1048.56	1049.87	+0.31
Transp	320.45	319.87	320.12	-0.07
Util	120.34	120.12	120.23	-0.11
Comp	275.67	275.12	275.45	-0.22

AMEX Diaries

Advances	Declines	Unchanged
100	50	20
100	50	20
100	50	20
100	50	20

NASDAQ Index

Index	High	Low	Close	Chg.
NASDAQ	100.12	100.01	100.05	-0.07

AMEX Most Actives

Vol.	High	Low	Close	Chg.
1234	123.45	123.45	123.45	+0.10
5678	567.89	567.89	567.89	-0.05
9012	901.23	901.23	901.23	+0.20
3456	345.67	345.67	345.67	-0.15
7890	789.01	789.01	789.01	+0.08

AMEX Stock Index

Index	High	Low	Close	Chg.
AMEX	100.12	100.01	100.05	-0.07

Sleeve and pl...

مركز النحل

BUSINESS BRIEFS

Calderon Berti Leaves Oil Ministry
To Direct Petroleos de Venezuela

CARACAS — Venezuela's energy and mines minister, Humberto Calderon Berti, has been named president of the state oil company, Petroleos de Venezuela, a company spokesman said Wednesday. The former oil minister will be sworn in Thursday by President Luis Herrera.

Mr. Calderon Berti's replacement at the ministry is José Ignacio Moreno León, who was sworn in Wednesday.

A spokesman at the oil company said earlier Wednesday that General Rafael Alfonzo Ravad, the company's president since Petroleos de Venezuela was created eight years ago, would step down in a shuffle of the board that was decided upon in August.



Humberto Calderon Berti

Caterpillar to Close Newcastle Plant

PEORIA, Illinois (Reuters) — Caterpillar Tractor Co.'s British subsidiary plans to close a construction machinery factory near Newcastle next year and transfer its production to a plant in Glasgow, Caterpillar said Wednesday.

It said the closure was caused by a need to trim manufacturing capacity in Britain as a result of continued low market demand. "There will be further discussions with union representatives to review how this will be accomplished, including the effect on the plant's 960 employees," said Robert Burroughs, the Newcastle plant manager.

Lufthansa Earnings Up in First Half

COLOGNE (AP) — First-half earnings of Deutsche Lufthansa AG rose on a 3.3-percent increase in revenue to 3.5 billion Deutsche marks (\$1.3 billion) from the first half of 1982, the airline said Wednesday in an interim report.

It said earnings had grown faster than costs, so the half-year result showed improvement over 1982. But it did not spell out its profit performance and said it could not predict how this year's overall results would compare with 1982, when the airline earned 45 million DM.

Lufthansa's management warned that rising fuel prices, discount fares and uncertain interest and currency rates could cause problems in coming months. The airline, about 82 percent owned by the government, said capital spending was \$24 million DM for new aircraft and replacement engines in the first half.

United Airlines to Raise Most Fares

NEW YORK (UPI) — United Airlines says it will raise most of its fares by up to \$20 in October, after the peak travel season ends. The move could mean higher air fares across the United States.

United said it would raise its regular coach fares \$10 to \$20 each way, beginning Oct. 1. Trans World Airlines, American Airlines and Pan American World Airways, among other airlines, said they were studying United's action.

United officials expressed confidence that, given the improving U.S. economy and an apparent truce in the industry's fare battles, the increases would not dampen passenger traffic.

Ford Werke Reports Satisfactory Half

COLOGNE (Reuters) — Ford Motor Co.'s West German unit had a satisfactory first half and is optimistic about the future, senior company officials said Wednesday at the annual meeting. They gave no figures, however, for first-half profit, turnover or output.

The management board chairman, Daniel Goudevert, said new orders in the first six months supported positive forecasts for business in the medium term. The unit, which had a 12.5 percent share of the German car market, said it had achieved a 12.4-percent share in the first five months and 13.6 percent in June.

Ford Werke increased first-half car exports, which accounted for just under 70 percent of sales, by 8.4 percent while the rest of the industry saw a decline of about 4 percent. But Mr. Goudevert said exports continued to be a major risk because of exchange rate fluctuations and slow recovery in key markets.

Chrysler to Raise New-Model Outlays

SAN DIEGO (NYT) — Chrysler Corp. is planning to increase outlays for new models of cars and trucks in the next few years, according to Gerald Greengard, vice chairman of the company. Capital spending in 1983-87 will rise to \$8 billion from a previous target of \$6.5 billion, he told Chrysler executives at the annual new-car preview in San Diego.

The announcement Tuesday reflects one immediate effect of the recent repayment of Chrysler's remaining \$300 million in federally guaranteed loans. Before the debt was repaid, Chrysler would have had to seek government permission before making the change.

Bennett E. Bidwell, the former Hertz Corp. president who recently joined Chrysler as executive vice president for marketing, predicted total automobile sales in the 1984 model year of 10 million, up from just under 8 million in 1982 and about 9 million in 1983.

Last 2 Herstatt Defendants Convicted

COLOGNE (Reuters) — A court closed the books Wednesday on the case of the private bank L.D. Herstatt, convicting the last two defendants of fraud and complicity in the biggest bank failure in West German history.

Two senior bank officials, Bernard von der Goltz and Heinz Hedderich, were sentenced to two years and five months and fined 45,000 Deutsche marks (\$16,600) each. The bank, which folded in 1976, lost 1.2 billion DM after speculating in currencies. The trial lasted a record four and a half years.

The prosecution of the bank's managing director, Iwan Herstatt, and his chief foreign exchange dealer, Danny Dattel, was dropped because both men were in ill health. Three other foreign exchange dealers for Herstatt were convicted in March and sentenced to up to seven and a half years in prison. An eighth defendant was given a two-year suspended sentence in June.

China Expands Plan
To Give Tax Holidays

BEIJING — China will extend the tax holiday it offers foreign companies in certain new Chinese-foreign joint ventures to five years from three, Li Peng, deputy minister of finance, said Wednesday. He said the extension would apply to ventures with a life of at least 10 years.

The period of reduction or exemption, whichever applies, will start from the first year that the venture makes a profit, he said, adding that the Finance Ministry was submitting to the state council proposals concerning joint ventures already in operation.

Herald Tribune
The Whole World in Your Hands

TO OUR READERS...

Please let us know about any problems you may have obtaining your copy of the International Herald Tribune. Write with all pertinent information to:

Francis Desmouins
Circulation Director
International Herald Tribune
181 Avenue Charles-de-Gaulle,
92200 Neuilly, France.

In Asia and Pacific write to:
Alain Leconte,
International Herald Tribune
1005 Telung Commercial Building,
24-24 Hong Kong Road, Hong Kong
(01) 291.

New Bank Marks Significant Stage in Malaysia Islamization

By Dinah Lee

International Herald Tribune

KUALA LUMPUR — When the prime minister of Malaysia, Mahathir bin Mohamad, signed up as the first customer of Southeast Asia's first Islamic bank, he was doing more than lending token support at another ribbon-cutting ceremony. The opening of Bank Islam Malaysia this summer marked a significant stage in Malaysia's development as an Islamic state.

The bank is to be followed in coming years by the establishment of an Islamic insurance system, pawnshops run on Islamic principles and a university with compulsory Islamic studies for undergraduates. Proposals for these, as well as more basic changes in Malaysian law governing gambling, alcohol and pork consumption, and the accumulation of private wealth are expressions of a revival of Islamic fundamentalism that over the past 10 years has changed Malaysian politics.

To integrate a growing mood of religious puritanism — among middle-class, urban Muslims as well as traditional Muslim enclaves — into the economic modernization of Malaysia has been one of Mr. Mahathir's most pressing tasks.

The potential for economic growth is great. Malaysia, with a population of 14.2 million, is the world's leading source of rubber and tin as well as an important supplier of timber, palm oil and pepper. Whether Islam in Malaysia can work with the economic growth that is common to Southeast Asian nations and so attractive to Western investment is a question troubling leaders in the ruling United Malays National Organization and their main opposition, the fundamentalist Parti Islam.

The new Islamic bank serves the country's seven million Muslims — nearly half of Malaysia's multiracial population of Chinese, Indian and Malays — by offering banking without the anti-Koranic taint of interest.

This version of Islamic banking has been adapted from a system barely 20 years old. (The first such institution was the Egyptian Islamic Savings Bank established in 1963.) There are now more than a dozen such banks in Arab countries and Pakistan. The world's most populous Islamic country, Indonesia, had made no similar move, however, and no doubt is watching the Malaysian experiment with interest.

Bank Islam's managing director, Oxford-educated Abdul Halim Ismail, 44, started his job without any idea whether a Southeast Asian Islamic bank could be successful. "If we started a commercial bank, we could base a study on the history of existing banks in the region," he said, "but here we have a totally new animal."

So far the public's response has been positive. The bank reports that more than 8,000 Malaysians opened accounts in the first month of operation.

The bank is based on four principles of sharing profits and losses and avoidance of interest:

• **Mudharabah:** The bank provides "capital and splits profits along agreed lines with businessmen, but absorbs any losses.

• **Musarakabah:** The bank shares management responsibilities as well as profits with the borrower in the form of joint venture.

• **Wadiah:** The bank may manage assets, with the permission of the owner.

• **Ijarah:** The bank can finance equipment or property purchase by selling to the client at an agreed profit margin.

A depositor in the bank becomes an investor in the projects the bank finances. For the moment, the bank has agreed with its investors-depositors to distribute profit in a ratio of 70 percent to the customer and 30 percent to the bank.

Under the Islamic Bank Act of 1982, the bank's equity will be mostly publicly held, at least for the early years. The federal government holds 30 percent, the state Islamic departments 25 percent

and government agencies and various Islamic institutions the remaining 45 percent.

Mr. Halim said the bank could reasonably expect in about three years to have flushed out of the community as much as 2 billion ringgits (about \$820 million). By then, he hopes, in addition to its Kuala Lumpur headquarters, the bank will have 13 state branches.

The key to the bank's success will be in attracting non-Muslim depositors as well as the faithful. Mr. Halim is anxious not to have the bank merely serve as a token symbol of the country's official religion. He said he felt there was no reason for the Chinese Malaysian community — more affluent than the Muslims — to rule out banking with Bank Islam.

"The Chinese businessmen I know are perfectly prepared to not be burdened with interest payments," he said, smiling. "If the venture is profitable, they are also willing to share the profits. I have heard Chinese friends say, once I have explained the principle of

mudharabah to them, 'Well, if that's what you mean all along, then I'm interested.'"

Mohammed Abu Bakar, a lecturer in arts and sciences at the University of Malaysia, said "re-education" was the key to persuading non-Muslims that they could benefit from the Islamization of the country. Mr. Abu Bakar believes that Mr. Mahathir and his party must respond to the growing pressure to institutionalize Islam in Malaysia.

"It is very difficult to stop once it has started," he said.

Complicating the political picture for the United Malays party is an aggressive lobby of well-educated Malaysian youths who were converted to Islam while studying overseas. In a move that seemed aimed at stemming the popularity of the Parti Islam, Mr. Mahathir drew into his party's leadership Anwar Ibrahim, leader of the fundamentalist Muslim Youth Organization. Plans for the Islamic bank reportedly got off the ground shortly after Mr. Anwar's arrival.

Banks' Role Shifting in South Korea

(Continued from Page 7)

and medium-size companies, but reduce corporate debt, especially that of the big industrial groups.

Most South Korean companies are heavily in debt. The ratio of debt to shareholders' equity for South Korean manufacturers averages more than five times that in the United States. "The banks must now be disciplining agents," Mr. Kim said.

The KorAm Bank's 10-member board is evenly split, with five Bank of America representatives and five South Koreans. The Bank of America holds no formal management contract, but it is the largest single shareholder, so the Bank of America representatives are expected to have considerable say in how things are run.

Moreover, Mr. Kim, 48 years old, is not a banker by training but a Western-educated economist who for 11 years was president of the Korea Development Institute, a government-backed research organization. "Kim is an open-minded pragmatist," said a foreign banker.

One of the main differences between KorAm and traditional South Korean banks is its decentralized management. At KorAm banks, for example, an individual wishing to conduct a simple transaction, such as withdrawing money, will receive a number from the teller and then wait for approval at three or four levels of authority. Tellers at KorAm handle most transactions themselves.

Similarly, KorAm is using an account officer system for corporate loans in which one banker deals with a company. Again, this is a relatively decentralized system.

"There will be much more delegation of authority in our organization to respond quickly and provide new services," said Charles R. Yirchott, the 43-year-old executive vice president of KorAm who is its senior Bank of America representative.

For competitive reasons, KorAm officials decline to say what new services they plan to introduce to

the Korean market. But obviously they see a latent demand for more offerings. Bank and department store credit cards are new in South Korea, for example, but the demand for them is growing. As of April 12 million cards had been issued, compared with 700,000 in early 1982.

"The retail products are pretty much plain vanilla here," Mr. Yirchott said. "And we are looking long and hard at new services to offer."

But Mr. Yirchott emphasized

that rushing to take American services and introduce them unmodified into the South Korean market would be a serious mistake. To conform to local tastes, KorAm is conducting extensive door-to-door marketing surveys in the areas where it will open its four branches by the end of the year.

One of the branches, which is due to open in September in a wealthy district of Seoul called Ap-gu, "is not like any branch in the Bank of America network that I know of," said Mr. Yirchott.

The counters will look like low tables. Customers will sit in plush chairs across from the tellers. In that affluent neighborhood, women do most of the family banking. And they prefer male tellers, according to the survey results, so male tellers there will be.

Saudi Lifting
Spot Oil Sales
On Gas Needs

BAHRAIN — Saudi Arabia is selling crude oil on the spot market to boost natural-gas production, the official Saudi press agency said Wednesday.

Quoting a source in the Ministry of Petroleum and Mineral Resources, the agency said the rise in natural-gas output is necessary to generate electricity in the kingdom's eastern province to prevent a repeat of a power cut which occurred two months ago. Gas is produced when oil is pumped from the ground.

The agency said that Arabian-American Oil Co., which markets Saudi crude through long-term contracts, was selling the oil on the spot market at the official benchmark price of \$29 a barrel. "The measure by Aramco is only temporary and will come to an end when the need for it ends," it added.

Aramco, a consortium including the Saudis and Exxon Corp., Mobil Corp., Texaco Inc. and Standard Oil Co. of California, markets the majority of Saudi Arabia's production, with the rest sold government-to-government by Petroleum.

Recent press reports, which the news agency called "untrue and mere speculation," have said the kingdom has changed its marketing policy by selling oil through a Swiss-based company called Norbec.

Norbec, the reports said, was set up about two months ago to provide an independent channel for selling Saudi crude without relying on Aramco or Petroleum, the state oil company.

Industry sources in London said it is unclear whether Saudi Arabia actually owns Norbec, which is based in Zug, Switzerland, with representative offices in London and Houston. Norbec's general manager, Kurt Neg, contacted by telephone in Zug, declined to comment on any aspect of the company's operations.

Islamic Bank
Announces Loans

BAHRAIN — The Islamic Development Bank said Wednesday its executive directors agreed to grant \$131 million in loans to member countries, bringing to \$681 million the loans granted in the year that began in October.

Morocco was granted \$32.4 million, Jordan received \$20 million, Iraq \$25 million and Bangladesh \$15 million.

South Yemen received \$5.3 million and Niger, Sierra Leone, the Maldives, Djibouti and Yugoslavia were granted lesser sums.

French, Japanese Firms
Win S. Korea Contracts

SEOUL — Technigaz of France and Sumitomo Corp. of Japan have won contracts connected with a liquefied natural gas receiving facility being built in South Korea, a spokesman for the newly established Korea Gas Corp. said Wednesday.

He said Technigaz had secured a \$130-million contract to build three LNG storage tanks and Mar-nheim a \$16-million deal to lay pipelines.

Japanese Interest Rates Fall

TOKYO — Average contracted interest rates for loans by all Japanese banks fell in July for the ninth consecutive month, by 0.014 percentage points to 7.064 percent.

Société Générale

U.S. \$250,000,000

Floating Rate Notes 1990/1995

For the six months 1st September, 1983 to 1st March, 1984 the Notes will bear an interest rate of 10 7/8% per annum and the coupon amount per U.S. \$100,000 will be U.S. \$5,529.51.

Agent Bank:
Samuel Montagu & Co. Limited

ADVERTISING
INTERNATIONAL FUNDS
August 31 1983

The net asset value of the funds shown below are based on the Funds listed with the exception of some funds whose values are based on basic assets. The following information is provided for informational purposes only. It is not intended to be a substitute for the prospectus of the fund. For more information, contact the fund manager.

FUND NAME	ASSET VALUE	FUND NAME	ASSET VALUE
ALMA MANAGEMENT CO. SA	\$134.44	UNION BANK OF SWITZERLAND	\$14.30
(1) ALMA Fund	\$134.44	(1) ALMA Fund	\$14.30
(2) ALMA Fund	\$134.44	(2) ALMA Fund	\$14.30
(3) ALMA Fund	\$134.44	(3) ALMA Fund	\$14.30
(4) ALMA Fund	\$134.44	(4) ALMA Fund	\$14.30
(5) ALMA Fund	\$134.44	(5) ALMA Fund	\$14.30
(6) ALMA Fund	\$134.44	(6) ALMA Fund	\$14.30
(7) ALMA Fund	\$134.44	(7) ALMA Fund	\$14.30
(8) ALMA Fund	\$134.44	(8) ALMA Fund	\$14.30
(9) ALMA Fund	\$134.44	(9) ALMA Fund	\$14.30
(10) ALMA Fund	\$134.44	(10) ALMA Fund	\$14.30
(11) ALMA Fund	\$134.44	(11) ALMA Fund	\$14.30
(12) ALMA Fund	\$134.44	(12) ALMA Fund	\$14.30
(13) ALMA Fund	\$134.44	(13) ALMA Fund	\$14.30
(14) ALMA Fund	\$134.44	(14) ALMA Fund	\$14.30
(15) ALMA Fund	\$134.44	(15) ALMA Fund	\$14.30
(16) ALMA Fund	\$134.44	(16) ALMA Fund	\$14.30
(17) ALMA Fund	\$134.44	(17) ALMA Fund	\$14.30
(18) ALMA Fund	\$134.44	(18) ALMA Fund	\$14.30
(19) ALMA Fund	\$134.44	(19) ALMA Fund	\$14.30
(20) ALMA Fund	\$134.44	(20) ALMA Fund	\$14.30
(21) ALMA Fund	\$134.44	(21) ALMA Fund	\$14.30
(22) ALMA Fund	\$134.44	(22) ALMA Fund	\$14.30
(23) ALMA Fund	\$134.44	(23) ALMA Fund	\$14.30
(24) ALMA Fund	\$134.44	(24) ALMA Fund	\$14.30
(25) ALMA Fund	\$134.44	(25) ALMA Fund	\$14.30
(26) ALMA Fund	\$134.44	(26) ALMA Fund	\$14.30
(27) ALMA Fund	\$134.44	(27) ALMA Fund	\$14.30
(28) ALMA Fund	\$134.44	(28) ALMA Fund	\$14.30
(29) ALMA Fund	\$134.44	(29) ALMA Fund	\$14.30
(30) ALMA Fund	\$134.44	(30) ALMA Fund	\$14.30
(31) ALMA Fund	\$134.44	(31) ALMA Fund	\$14.30
(32) ALMA Fund	\$134.44	(32) ALMA Fund	\$14.30
(33) ALMA Fund	\$134.44	(33) ALMA Fund	\$14.30
(34) ALMA Fund	\$134.44	(34) ALMA Fund	\$14.30
(35) ALMA Fund	\$134.44	(35) ALMA Fund	\$14.30
(36) ALMA Fund	\$134.44	(36) ALMA Fund	\$14.30
(37) ALMA Fund	\$134.44	(37) ALMA Fund	\$14.30
(38) ALMA Fund	\$134.44	(38) ALMA Fund	\$14.30
(39) ALMA Fund	\$134.44	(39) ALMA Fund	\$14.30
(40) ALMA Fund	\$134.44	(40) ALMA Fund	\$14.30
(41) ALMA Fund	\$134.44	(41) ALMA Fund	\$14.30
(42) ALMA Fund	\$134.44	(42) ALMA Fund	\$14.30
(43) ALMA Fund	\$134.44	(43) ALMA Fund	\$14.30
(44) ALMA Fund	\$134.44	(44) ALMA Fund	\$14.30
(45) ALMA Fund	\$134.44	(45) ALMA Fund	\$14.30
(46) ALMA Fund	\$134.44	(46) ALMA Fund	\$14.30
(47) ALMA Fund	\$134.44	(47) ALMA Fund	\$14.30
(48) ALMA Fund	\$134.44	(48) ALMA Fund	\$14.30
(49) ALMA Fund	\$134.44	(49) ALMA Fund	\$14.30
(50) ALMA Fund	\$134.44	(50) ALMA Fund	\$14.30
(51) ALMA Fund	\$134.44	(51) ALMA Fund	\$14.30
(52) ALMA Fund	\$134.44	(52) ALMA Fund	\$14.30
(53) ALMA Fund	\$134.44	(53) ALMA Fund	\$14.30
(54) ALMA Fund	\$134.44	(54) ALMA Fund	\$14.30
(55) ALMA Fund	\$134.44	(55) ALMA Fund	\$14.30
(56) ALMA Fund	\$134.44	(56) ALMA Fund	\$14.30
(57) ALMA Fund	\$134.44	(57) ALMA Fund	\$14.30
(58) ALMA Fund	\$134.44	(58) ALMA Fund	\$14.30
(59) ALMA Fund	\$134.44	(59) ALMA Fund	\$14.30
(60) ALMA Fund	\$134.44	(60) ALMA Fund	\$14.30
(61) ALMA Fund	\$134.44	(61) ALMA Fund	\$14.30
(62) ALMA Fund	\$134.44	(62) ALMA Fund	\$14.30
(63) ALMA Fund	\$134.44	(63) ALMA Fund	\$14.30
(64) ALMA Fund	\$134.44	(64) ALMA Fund	\$14.30
(65) ALMA Fund	\$134.44	(65) ALMA Fund	\$14.30
(66) ALMA Fund	\$134.44	(66) ALMA Fund	\$14.30
(67) ALMA Fund	\$134.44	(67) ALMA Fund	\$14.30
(68) ALMA Fund	\$134.44	(68) ALMA Fund	\$14.30
(69) ALMA Fund	\$134.44	(69) ALMA Fund	\$14.30
(70) ALMA Fund	\$134.44	(70) ALMA Fund	\$14.30
(71) ALMA Fund	\$134.44	(71) ALMA Fund	\$14.30
(72) ALMA Fund	\$134.44	(72) ALMA Fund	\$14.30
(73) ALMA Fund	\$134.44	(73) ALMA Fund	\$14.30
(74) ALMA Fund	\$134.44	(74) ALMA Fund	\$14.30
(75) ALMA Fund	\$134.44	(75) ALMA Fund	\$14.30
(76) ALMA Fund	\$134.44	(76) ALMA Fund	\$14.30
(77) ALMA Fund	\$134.44	(77) ALMA Fund	\$14.30
(78) ALMA Fund	\$134.44	(78) ALMA Fund	\$14.30
(79) ALMA Fund	\$134.44	(79) ALMA Fund	\$14.30
(80) ALMA Fund	\$134.44	(80) ALMA Fund	\$14.30
(81) ALMA Fund	\$134.44	(81) ALMA Fund	\$14.30
(82) ALMA Fund	\$134.44	(82) ALMA Fund	\$14.30
(83) ALMA Fund	\$134.44	(83) ALMA Fund	\$14.30
(84) ALMA Fund	\$134.44	(84) ALMA Fund	\$14.30
(85) ALMA Fund	\$134.44	(85) ALMA Fund	\$14.30
(86) ALMA Fund	\$134.44	(86) ALMA Fund	\$14.30
(87) ALMA Fund	\$134.44	(87) ALMA Fund	\$14.30
(88) ALMA Fund	\$134.44	(88) ALMA Fund	\$14.30
(89) ALMA Fund	\$134.44	(89) ALMA Fund	\$14.30
(90) ALMA Fund	\$134.44	(90) ALMA Fund	\$14.30
(91) ALMA Fund	\$134.44	(91) ALMA Fund	\$14.30
(92) ALMA Fund	\$134.44	(92) ALMA Fund	\$14.30
(93) ALMA Fund	\$134.44	(93) ALMA Fund	\$14.30
(94) ALMA Fund	\$134.44	(94) ALMA Fund	\$14.30
(95) ALMA Fund	\$134.44	(95) ALMA Fund	\$14.30
(96) ALMA Fund	\$134.44	(96) ALMA Fund	\$14.30
(97) ALMA Fund	\$134.44	(97) ALMA Fund	\$14.30
(98) ALMA Fund	\$134.44	(98) ALMA Fund	\$14.30
(99) ALMA Fund	\$134.44	(99) ALMA Fund	\$14.30
(100) ALMA Fund	\$134.44	(100) ALMA Fund	\$14.30

Weekly net asset value

Tokyo Pacific Holdings N.V.

on August 29, 1983: U.S. \$109.64.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Helder & Pierson N.V.
Herengracht 214, 1016 BS Amsterdam.

INTERNATIONAL POSITIONS

SALES REPRESENTATIVES
are you earning
\$50,000-00
or more per year?

We are a Swiss based International Company dealing in highly specialised and profitable U.S. dollar investments for private individuals. We are seeking several first class sales representatives, preferably self employed, who enjoy a business reputation, beyond reproach, speak English, and who would like to increase their present income by at least \$50,000 p.a. Please send full career resume and references to:

William C. Hurlock
Vice-President, Financial Services
Trans Container Marketing A.G.
Gellertstrasse 18, CH-4052 Basel, Switzerland
No phone calls please

**VICE PRESIDENT/
AREA GROUP MANAGER
DATA SYSTEMS
DEVELOPMENT REVIEW**

Our client, a major New York bank, is establishing a new position to manage the review of new data systems in Latin America and the Caribbean. The purpose of this position is to develop and manage a strong and technically expert team to operate in a sophisticated data processing environment. Must speak fluent Spanish, Portuguese language highly desirable. The selected candidate will be based either in New York or Rio de Janeiro, and report directly to senior management in New York. Primary responsibilities will involve around the review of development projects in several countries, with particular emphasis on data accuracy, integrity and information protection.

Your qualifications must include at least 7 years experience in the development of complex data base and telecommunication based data processing systems. A sound knowledge of senior banking services and the appreciation of state-of-the-art technology in a banking environment is preferred. Experience will be considered. Please submit your resume in strict confidence to:

Roland Pöhl
c/o POINIER, ROYEL & CO.
886 Wilshire Blvd., Suite 712
Santa Monica, CA 90401 USA

GENERAL TRADING HOUSE

NEW TRADING TALENT

We are a vigorously expanding subsidiary of a large Swedish metals and mining group located in Zug, Switzerland. We are engaged in trading in heavy chemicals, fertilizers and petrochemicals. We are engaged in bartering as well.

We are looking for new talent to expand our efforts in fertilizer raw materials, bartering and fine or specialty chemicals.

We are looking for people who want to pursue a career in trading but have little experience

Wednesday's NYSE Closing

Tables include the nationwide prices
up to the closing on Wall Street

12 Month	High	Low	Stock	Div.	Yld.	PE	100s	High	Low	Close	Chg.
12	100	100	100					100	100	100	
13	100	100	100					100	100	100	
14	100	100	100					100	100	100	
15	100	100	100					100	100	100	
16	100	100	100					100	100	100	
17	100	100	100					100	100	100	
18	100	100	100					100	100	100	
19	100	100	100					100	100	100	
20	100	100	100					100	100	100	
21	100	100	100					100	100	100	
22	100	100	100					100	100	100	
23	100	100	100					100	100	100	
24	100	100	100					100	100	100	
25	100	100	100					100	100	100	
26	100	100	100					100	100	100	
27	100	100	100					100	100	100	
28	100	100	100					100	100	100	
29	100	100	100					100	100	100	
30	100	100	100					100	100	100	
31	100	100	100					100	100	100	
32	100	100	100					100	100	100	
33	100	100	100					100	100	100	
34	100	100	100					100	100	100	
35	100	100	100					100	100	100	
36	100	100	100					100	100	100	
37	100	100	100					100	100	100	
38	100	100	100					100	100	100	
39	100	100	100					100	100	100	
40	100	100	100					100	100	100	
41	100	100	100					100	100	100	
42	100	100	100					100	100	100	
43	100	100	100					100	100	100	
44	100	100	100					100	100	100	
45	100	100	100					100	100	100	
46	100	100	100					100	100	100	
47	100	100	100					100	100	100	
48	100	100	100					100	100	100	
49	100	100	100					100	100	100	
50	100	100	100					100	100	100	
51	100	100	100					100	100	100	
52	100	100	100					100	100	100	
53	100	100	100					100	100	100	
54	100	100	100					100	100	100	
55	100	100	100					100	100	100	
56	100	100	100					100	100	100	
57	100	100	100					100	100	100	
58	100	100	100					100	100	100	
59	100	100	100					100	100	100	
60	100	100	100					100	100	100	
61	100	100	100					100	100	100	
62	100	100	100					100	100	100	
63	100	100	100					100	100	100	
64	100	100	100					100	100	100	
65	100	100	100					100	100	100	
66	100	100	100					100	100	100	
67	100	100	100					100	100	100	
68	100	100	100					100	100	100	
69	100	100	100					100	100	100	
70	100	100	100					100	100	100	
71	100	100	100					100	100	100	
72	100	100	100					100	100	100	
73	100	100	100					100	100	100	
74	100	100	100					100	100	100	
75	100	100	100					100	100	100	
76	100	100	100					100	100	100	
77	100	100	100					100	100	100	
78	100	100	100					100	100	100	
79	100	100	100					100	100	100	
80	100	100	100					100	100	100	
81	100	100	100					100	100	100	
82	100	100	100					100	100	100	
83	100	100	100					100	100	100	
84	100	100	100					100	100	100	
85	100	100	100					100	100	100	
86	100	100	100					100	100	100	
87	100	100	100					100	100	100	
88	100	100	100					100	100	100	
89	100	100	100					100	100	100	
90	100	100	100					100	100	100	
91	100	100	100					100	100	100	
92	100	100	100					100	100	100	
93	100	100	100					100	100	100	
94	100	100	100					100	100	100	
95	100	100	100					100	100	100	
96	100	100	100					100	100	100	
97	100	100	100					100	100	100	
98	100	100	100					100	100	100	
99	100	100	100					100	100	100	
100	100	100	100					100	100	100	

COMPANY EARNINGS

Revenue and profits, in millions, are in local currencies unless otherwise indicated

Australia	Yamaha Motor
Year	1982
Revenue	49,775,549,742
Profit	2,022,000
Per Share	10.14

Western Mining	Sweden
Year	1982
Revenue	34,312,544
Profit	1,377
Per Share	0.84

Johnson Matthey	United States
1st Half	1982
Revenue	47,977
Profit	4,053
Per Share	3.10

Nippon Gakki	Japan
Year	1982
Revenue	92,260,262
Profit	5,433
Per Share	20.03

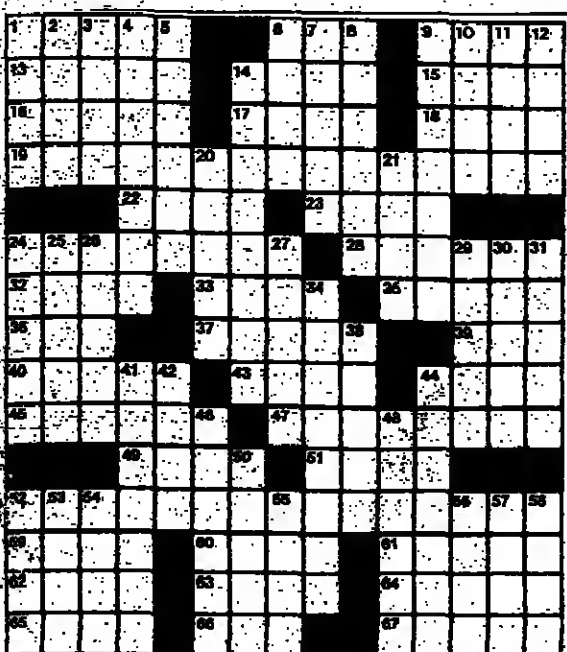
Volvo	Sweden
1st Half	1982
Revenue	4,900
Profit	1,000
Per Share	1.00

Perkin-Elmer	United States
4th Quarter	1982
Revenue	253.3
Profit	0.38
Per Share	0.38

W	12 Month
High	Low
Stock	Div.
Yld.	PE
100s	High
Low	Close
Chg.	

30	22%	Went	24	1.4	13	1022	15%	15%	14%
17%	11%	Wendy	3			85	30%	25%	30%
29%	15%	WestCo	40	1.7	17	1162	40	38%	38%
41	34	WPC	2.00	4.6		66	44	43%	43%
53	26%	WestPT	1.04			10	11%	11%	11%
12%	10%	WestCT				248	5%	5%	5%
7%	3%	WAIr				95	2%	2%	2%
3%	2	WAIr wt				6	14%	14%	14%
18%	9%	WAIr p	121		71	2005	73	11%	12%
11%	ave	WCHA	1.75	12.8		2	52%	52%	52%

CROSSWORD



- ACROSS**
- Total
 - Neanderthal
 - Transport in
 - Part of a
 - Salt or smoke
 - Consecrated
 - Earthmovers
 - Irish, once
 - White House
 - Undone
 - 32 in.
 - Western writer
 - Word with
 - One of the
 - Mythological
 - Have
 - John a book
 - Boys
 - Part of an
- DOWN**
- 1 Vestments
 - Barbie or Ken
 - 3 Number before
 - 4 Like some
 - 5 Creole, for one
 - 6 Nothing
 - 7 U.S.S.R.
 - 8 Not so messy
 - 9 Rapid follower
 - 10 Former V.I.P.
 - 11 Westernmost
 - 12 Dodocanese
 - 13 Birth
 - 14 Baker's gadget
 - 15 Alaska was his
 - 16 Burning
 - 17 Biscuit
 - 18 Name of three
 - 19 base
 - 20 Word with door
 - 21 Jewish title of
 - 22 Bone: Comb.
 - 23 Promontory

© New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE



I GUESS I'M GETTING TIRED OF BEING AWAKE.

Unscramble these four jumbles, one letter to each square, to form four ordinary words.

Print answer here:

Yesterday's Answer: MIRTH GRANK THRESH UNPAIR. Answer: His "position" in FRANCE gave him the right to live — FRANCHISE.

WEATHER

EUROPE HIGH LOW ASIA HIGH LOW

Algeria 31 22 31 22

Amman 31 22 31 22

Antwerp 31 22 31 22

Athens 31 22 31 22

Batavia 31 22 31 22

Bombay 31 22 31 22

Buenos Aires 31 22 31 22

Calcutta 31 22 31 22

Canton 31 22 31 22

Cebu 31 22 31 22

Colon 31 22 31 22

Dacca 31 22 31 22

Dhaka 31 22 31 22

Delhi 31 22 31 22

Disse 31 22 31 22

Dubai 31 22 31 22

Durham 31 22 31 22

Edinburgh 31 22 31 22

Geneva 31 22 31 22

Hankow 31 22 31 22

Hong Kong 31 22 31 22

Hyderabad 31 22 31 22

Imbabura 31 22 31 22

Jakarta 31 22 31 22

Johannesburg 31 22 31 22

Kobe 31 22 31 22

Kuala Lumpur 31 22 31 22

Lahore 31 22 31 22

London 31 22 31 22

Lyons 31 22 31 22

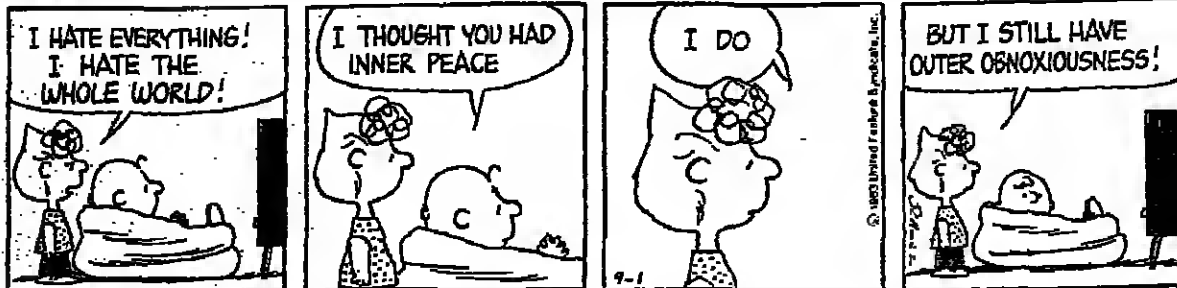
Manila 31 22 31 22

Moscow 31 22 31 22

Mumbai 31 22 31 22

Nairobi 31 22 31 22

PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



GARFIELD



INDIA BRITANNICA

By Geoffrey Moorhouse. 288 pp. \$22.95. Harper & Row, 10 East 53d St., New York, N.Y. 10022.

THE IMPERIAL IMAGINATION: Magic and Myth in Kipling's India.

By Lewis D. Wargaf. 211 pp. \$24.95. Wesleyan University Press, Middletown, Connecticut.

Reviewed by Michiko Kakutani

ON Aug. 15, 1947, the British Union Jack was hauled down from flagpoles around the country, and the Star of India was raised in its place. Living glasses of port, Britain's last viceroy and the new country's first prime minister toasted each other. "To India," said Lord Mountbatten. "To King George VI," replied Jawaharlal Nehru. It was an amicable and deceptively simple ceremony, marking the end of an extraordinarily complicated and highly emotional relationship — a relationship that would shape the history of both countries and indelibly imprint itself upon their peoples' collective memories.

For the British, as these two books demonstrate, India was more than just another imperial pawn. Somehow, it elicited a far more personal response. Romanticized by both writers and members of the Indian Civil Service, India assumed mythic proportions in the British imagination: It became a mysterious, exotic place, where fortunes could be made and careers galvanized, a place where all the old aristocratic virtues could be tested and the fantasies of empire realized.

In practice, the British exhibited toward India a remarkable mixture of condescension, self-interest and earnest goodwill, and when it came time to leave, they left with sadness and nostalgia. The loss of India, after all, meant not only the loss of dominion over a subcontinent, but also the end of the empire and the end of an entire way of life.

Although it possesses neither the scope nor elegance of James Morris's splendid "The British in India," Geoffrey Moorhouse's "India Britannica" tells the story of the British in India with fluency and concision. There is a tendency, on the author's part, occasionally to sentimentalize the motives of the British, but he does his best to be fair, sorting through the heightened, self-serving rhetoric that surrounds such incidents as the Indian Mutiny of 1857 and the Amritsar massacre of 1919 with care.

Taking a broadly chronological approach, Moorhouse charts the expansion of the East India Company's holdings during the 17th century, the insidious shift in British interests from the commercial sphere to the political, the efforts of English evangelists to remake India in their own image during the early 19th century, and the growing isolation of the British community within their expatriate enclaves.

Through portraits of individuals and brief assessments of major events, he sketches in both the achievements of the British — their legacy included the institution of elected parliamentary government, as well as an extensive public works system — and their failures. As he sees it, the British realized for quite some time that independence was inevitable, but were ambivalent about implementing the necessary changes; their difficulties arose from a combination of blinkered moral superiority and a parochialism that made it difficult to come to terms with India's myriad local languages and customs.

In "The Imperial Imagination," Lewis D. Wargaf takes a considerably more dogmatic stance, arguing that the British willfully deluded themselves about India by spinning a "heroic mythology" around the country that obscured its realities. He contends that the British juxtaposed an image of themselves as self-sacrificing paragons of moral will and restraint, with an image of India as a dark, unknowable land, filled with dangers and temptations. "To the Anglo-Indian imagination, as to Kipling's," he writes, "India itself was thoroughly and threateningly libidinal, and the dislike of native India was rooted in a fundamental fear of its seductive and mysterious qualities."

Though Wargaf does make several illuminating points, his approach is also seriously flawed. For one thing, he is too quick to assume that Kipling's pronouncements were representative of the British point of view. Rudyard Kipling's beliefs, like those of any writer, were the product of his experiences and psychology — as much a reflection of the cultural milieu — and so too freely extrapolate from his writings seems both naive and unfair.

Equally disturbing in this book is the attempt by Wargaf, who is a psychologist, to assess British attitudes toward India in terms of psychoanalytic principles. "The Anglo-Indian community demanded of its own members the containment or internalization of emotion," he writes in a fairly typical passage. "In object relations theory this attitude corresponds to the point in early emotional development marked by the wish to retain the love object, rather than simply to merge with it or to destroy it." Such observations do not shed new light on the relationship between the two countries; rather, they submerge real events to abstract theory and reduce the complexities of history to jargon.

Michiko Kakutani is on the staff of The New York Times.

BOOKS

assessments of major events, he sketches in both the achievements of the British — their legacy included the institution of elected parliamentary government, as well as an extensive public works system — and their failures. As he sees it, the British realized for quite some time that independence was inevitable, but were ambivalent about implementing the necessary changes; their difficulties arose from a combination of blinkered moral superiority and a parochialism that made it difficult to come to terms with India's myriad local languages and customs.

In "The Imperial Imagination," Lewis D. Wargaf takes a considerably more dogmatic stance, arguing that the British willfully deluded themselves about India by spinning a "heroic mythology" around the country that obscured its realities. He contends that the British juxtaposed an image of themselves as self-sacrificing paragons of moral will and restraint, with an image of India as a dark, unknowable land, filled with dangers and temptations. "To the Anglo-Indian imagination, as to Kipling's," he writes, "India itself was thoroughly and threateningly libidinal, and the dislike of native India was rooted in a fundamental fear of its seductive and mysterious qualities."

Though Wargaf does make several illuminating points, his approach is also seriously flawed. For one thing, he is too quick to assume that Kipling's pronouncements were representative of the British point of view. Rudyard Kipling's beliefs, like those of any writer, were the product of his experiences and psychology — as much a reflection of the cultural milieu — and so too freely extrapolate from his writings seems both naive and unfair.

Equally disturbing in this book is the attempt by Wargaf, who is a psychologist, to assess British attitudes toward India in terms of psychoanalytic principles. "The Anglo-Indian community demanded of its own members the containment or internalization of emotion," he writes in a fairly typical passage. "In object relations theory this attitude corresponds to the point in early emotional development marked by the wish to retain the love object, rather than simply to merge with it or to destroy it." Such observations do not shed new light on the relationship between the two countries; rather, they submerge real events to abstract theory and reduce the complexities of history to jargon.

Michiko Kakutani is on the staff of The New York Times.

Toll Booth to the Smithsonian

The Associated Press

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is the last of the turnpike's old stations to be torn down.

NEWBURGH, Pennsylvania — The Blue Mountain toll booth on the Pennsylvania Turnpike is going to the Smithsonian Institution. The booth, at one of the least-traveled stops on the 470-mile highway, will be replaced by a smaller, air-conditioned booth. Dating from before World War II, the booth, 40 miles west of Harrisburg, is

U.S. Agency Weighs Steps to Limit Bank Services

By Kenneth B. Noble
New York Times Service

WASHINGTON—The Federal Deposit Insurance Corp. in an apparent attempt to expand its regulatory powers, is considering the adoption of new rules on the services banks may offer.

William Isaac, the chairman of the insurance agency, said Tuesday that any new regulations might apply to federally chartered banks in addition to state-chartered banks, which it normally supervises.

"We're not trying to impose restrictions," Mr. Isaac said. But he said, the agency is soliciting comment on whether or not it should limit bank involvement in real estate, insurance brokerage and underwriting, and travel services. Some states have allowed state-chartered banks to enter these sectors.

"Ideally, I would like Congress

to deal with these issues, and make most of what the FDIC is doing moot," Mr. Isaac said at a news conference.

He added, however, that Congress did not seem willing to grapple with many of the changes occurring in the financial services industry, and that consequently, it was the responsibility of the FDIC to assess the effect of such changes "on bank safety and soundness."

The news conference followed an open meeting in which the three directors of the FDIC voted to seek comment from the industry and the public on what guidelines or regulations to impose on non-banking activities by banks.

Robert Richard of the Conference of State Bank Supervisors, an association that represents the state regulators, said such guidelines would amount to a federal intrusion into an area traditionally managed by the states. Mr. Richard is

the conference's director of supervisory procedures.

The federal agency, he said, "should not be in the position of deterring or encouraging expanded powers for state-chartered banks, as that is a matter for state determination." He added that his group was very concerned that "the FDIC will develop and issue universal rules that will frustrate the actions of individual states to broaden the powers of state-chartered banks."

Mr. Isaac said that he had expected opposition from state banking officials. "I suspect some state banking departments will say it's none of our business," he said. But he added that while "there shouldn't be a national policy" about non-bank services should be regulated, "we have to look at the risks and see if they propose a threat to the insurance fund."

The FDIC said in its announcement that several states have adopted provisions that allow

banks to invest a certain percentage of their capital in non-banking financial enterprises. As an example, the agency said, the Washington Mutual Savings Bank of Seattle operates a full-service brokerage subsidiary and the Boston Five Cents Savings Bank has organized two mutual fund subsidiaries.

Similarly, in Massachusetts, Connecticut and New York, mutual savings banks were recently authorized to engage in certain insurance activities. And the California legislature recently enacted a law that will authorize securities and real estate activities by banks.

"As banking powers are expanded by the state legislatures," the agency wrote in its notice, the FDIC has "both the responsibility and the authority to carefully weigh these developments in its capacity as a supervisor of insured non-member banks and insurer of the nation's banking system."

Continental To Sell Some Paper Plants

New York Times Service

NEW YORK—Stone Container Corp., a manufacturer of corrugated boxes and paper bags, has agreed to buy a large part of the forest products division of Continental Group for \$510 million.

Included in the acquisition are three paper mills, 15 plants that make corrugated boxes, five plants that make paper bags, and long-term cutting rights on timberland owned by Continental, the company said Tuesday.

Roger W. Stone, chairman and chief executive officer of Stone Container, based in Chicago, said the "timing of this transaction is particularly advantageous" because the "signs clearly point to a significant cyclical upturn for our industry."

He added that the box and bag plants being acquired, which are scattered across the country, would allow Stone Container to expand its markets in the Sun Belt.

S. Bruce Smart Jr., Continental's chairman and chief executive officer, said the sale of the forest products operations would result in an "improved balance sheet" and lessen the impact of a "cyclical business on our overall performance."

Continental, a diversified forest products, packaging, insurance and energy company, said it intended to use \$288 million of the proceeds of the transaction in a tender offer to repurchase its own common shares. The company, based in Stamford, Connecticut, said it would offer \$48 a share for 6 million shares. Continental has 32.7 million common shares outstanding.

Mesa Chief May Be Hunting Again, But Can He Really Afford His Prey?

By Mark Potts
Washington Post Service

WASHINGTON—T. Boone Pickens Jr., the maverick oil man, appears to be on the prowl again—and the biggest question may be who will ultimately be his prey.

Last winter, Mr. Pickens, the chairman of Mesa Petroleum Co., made an abortive bid for General American Oil Co. that eventually propelled the company into the arms of Phillips Petroleum Co. A few months earlier, Mr. Pickens made a run at Cities Service Co., which later found shelter as a subsidiary of Occidental Petroleum Corp.

Mr. Pickens' target this time appears to be Superior Oil Co. Mesa has been amassing shares in the company for some time, and the purchases are believed to be the reasons for stepped-up activity in Superior stock in the past few days.

But analysts are not sure that Mr. Pickens has the means for a multimillion-dollar takeover of Superior. There is speculation among Wall Street analysts that, once again, Mr. Pickens may be beaten out by another company, perhaps Exxon, according to a recurrent rumor.

That may be Mr. Pickens' intention. "I think it's pretty clear that Mesa is hoping to serve as some sort of catalyst," said Paul Leberman, an analyst at Paine Webber. Such a role could be very profitable for Mesa, which made a great deal of money on its holdings in General American and Cities Service when those companies eluded its grasp. Some analysts believe that Mr. Pickens set himself up as the trigger in those deals, and now



T. Boone Pickens Jr.

in Superior, simply to turn a profit on the ultimate outcome.

Another analyst, considering that Mesa could be left with its expensive stock holding if no other offer for Superior is forthcoming, says, "Maybe this time, Boone Pickens will get his comeuppance."

Attempts to reach Mr. Pickens earlier this week were unsuccessful. He has not commented on his

plans, except to insist that Mesa's shares of Superior simply represent an investment.

But analysts agree that Superior is ready for a merger. Superior owns huge reserves of natural gas and oil, assets that have attracted big prices in takeovers in recent years. But the company has been racked this year by a family feud reminiscent of something from the television show "Dallas." The discord has apparently made the company vulnerable to takeover.

The apparent victor in the battle is William Keck Day, a major shareholder, who rebelled against a stockholder group led by his brother, former Chairman Howard B. Keck.

Mrs. Keck Day's faction won the stockholders' approval of a plan to create a committee of three outside directors who would be required to evaluate takeover bids and recommend acceptance of what was called any "reasonable offer" for more than 45 percent of the company's stock.

That action had the support of Mesa, which holds about 3.9 million shares, or a bit more than 3 percent of Superior's stock.

USAir Orders 15 Boeing Airliners

Washington Post Service

WASHINGTON—USAir Inc. has ordered 15 jetliners valued at \$330 million from Boeing Co.

USAir exercised an option to purchase 10 new 737-300s and added five 737-200s to the order. The 737-200 is currently in production; the 737-300 is Boeing's newest

model, and the first copy, for delivery to USAir, is expected off the production line in January.

The order from USAir brings to 40 the number of firm commitments from five airlines to purchase 737-300s, a Boeing spokesman said. More than 1,000 earlier model 737s have been sold worldwide to 113 airlines.

Grains

Grains					
WHEAT					
5,000 bu minimum-dollars per bushel					
Sep	3.79 1/2	3.89 1/4	3.79 1/2	3.89 1/4	+10 1/4
Dec	4.02	4.10 1/4	4.02	4.10 1/4	+10 1/2
Mar	4.19	4.27	4.17 1/2	4.26 1/4	+10 1/2
May	4.26	4.31 1/4	4.23	4.31 1/4	+10 1/2
Jul	4.17 1/2	4.21 1/4	4.15	4.21 1/4	+10 1/2
Oct	4.23	4.28	4.22	4.28	+10 1/2
Est. Sales		Prev. Sales	36,557		

SPORTS

Zachry Helps Dodgers Salvage Split With Mets

NEW YORK — Making his first start of the season, Pat Zachry pitched six shutout innings to lead the Los Angeles Dodgers to a 2-1 victory and a split of a doubleheader with the New York Mets here Tuesday night.

In the opener, Roo Hodges singled home Hubie Brooks with the breaking run in the eighth inning to lift the Mets to a 3-2 decision.

Zachry (5-0) was traded by the Mets to the Dodgers after last season's season. Tuesday's was his second victory of the year against his former team.

BASEBALL ROUNDUP

Phillies 6, Padres 0
In Philadelphia, Sixto Lezcano hit a two-run homer and Bobby Brown had three hits as San Diego downed the Phillies, 7-5, to earn a doubleheader split in the opener.

Red Sox 5, Blue Jays 4
In Toronto, Jim Rice's 12th-inning single scored Jerry Remy from second base and lifted Boston past the Blue Jays, 5-4.

White Sox 5, Rangers 0
In Chicago, Carlton Fisk's inside-the-park home run and Harold Baines' two-run homer powered the White Sox to a 5-0 victory over Texas.

Angels 10, Indians 6
In Anaheim, California, Doug DeCinces hit a three-run bloop double and Bob Boone singled in the tie-breaking run in the sixth inning to defeat Cleveland, 10-6.

Brewers 3, Mariners 2
In Seattle, Tom Candiotti scattered five hits over 7 1/2 innings for his third straight victory and Charlie Moore drove in one run and scored another as Milwaukee nipped the Mariners, 3-2.

Yankees 8, A's 5
In Oakland, California, Oscar Gamble's triple triggered a three-run ninth that made New York an 8-5 winner over the A's.

Major League Standings

NATIONAL LEAGUE EAST			
Team	W	L	Pct.
Philadelphia	42	22	.656
St. Louis	41	23	.641
Atlanta	38	26	.591
Montreal	37	27	.577
San Diego	36	28	.563
Los Angeles	35	29	.547
San Francisco	34	30	.531
Chicago	33	31	.516
San Pedro	32	32	.500
Los Angeles	31	33	.484
San Francisco	30	34	.469

WEST DIVISION			
Team	W	L	Pct.
Los Angeles	37	25	.594
San Diego	36	26	.577
San Francisco	35	27	.563
Los Angeles	34	28	.547
San Francisco	33	29	.531
Los Angeles	32	30	.516
San Francisco	31	31	.500
Los Angeles	30	32	.484
San Francisco	29	33	.469

AMERICAN LEAGUE EAST			
Team	W	L	Pct.
Philadelphia	42	22	.656
St. Louis	41	23	.641
Atlanta	38	26	.591
Montreal	37	27	.577
San Diego	36	28	.563
Los Angeles	35	29	.547
San Francisco	34	30	.531
Chicago	33	31	.516
San Pedro	32	32	.500
Los Angeles	31	33	.484
San Francisco	30	34	.469

WEST DIVISION			
Team	W	L	Pct.
Los Angeles	37	25	.594
San Diego	36	26	.577
San Francisco	35	27	.563
Los Angeles	34	28	.547
San Francisco	33	29	.531
Los Angeles	32	30	.516
San Francisco	31	31	.500
Los Angeles	30	32	.484
San Francisco	29	33	.469

AMERICAN LEAGUE EAST			
Team	W	L	Pct.
Philadelphia	42	22	.656
St. Louis	41	23	.641
Atlanta	38	26	.591
Montreal	37	27	.577
San Diego	36	28	.563
Los Angeles	35	29	.547
San Francisco	34	30	.531
Chicago	33	31	.516
San Pedro	32	32	.500
Los Angeles	31	33	.484
San Francisco	30	34	.469

WEST DIVISION			
Team	W	L	Pct.
Los Angeles	37	25	.594
San Diego	36	26	.577
San Francisco	35	27	.563
Los Angeles	34	28	.547
San Francisco	33	29	.531
Los Angeles	32	30	.516
San Francisco	31	31	.500
Los Angeles	30	32	.484
San Francisco	29	33	.469

AMERICAN LEAGUE EAST			
Team	W	L	Pct.
Philadelphia	42	22	.656
St. Louis	41	23	.641
Atlanta	38	26	.591
Montreal	37	27	.577
San Diego	36	28	.563
Los Angeles	35	29	.547
San Francisco	34	30	.531
Chicago	33	31	.516
San Pedro	32	32	.500
Los Angeles	31	33	.484
San Francisco	30	34	.469

WEST DIVISION			
Team	W	L	Pct.
Los Angeles	37	25	.594
San Diego	36	26	.577
San Francisco	35	27	.563
Los Angeles	34	28	.547
San Francisco	33	29	.531
Los Angeles	32	30	.516
San Francisco	31	31	.500
Los Angeles	30	32	.484
San Francisco	29	33	.469



John McEnroe during his match Tuesday with Trey Waltke.

McEnroe Extended, Fined in 1st Round

United Press International

NEW YORK — Top seed John McEnroe faced both elimination and suspension Tuesday before pulling out a five-set squeaker over Trey Waltke in an opening-round match of the U.S. Open tennis championships.

McEnroe finally took charge in the fourth set, winning eight

straight games en route to a 6-3, 5-7, 4-6, 6-0, 6-1 triumph.

But in the process he was fined a total of \$1,500 for three separate offenses, bringing his cumulative fine total for the last 12 months to \$7,300. According to grand prize regulations, a player reaching a total of \$7,500 in fines during a one-year period is subject to an automatic 21-day suspension.

The most serious offense was a \$1,000 fine for spectator abuse, occurring when McEnroe threw sand at a fan who was taunting him. Players customarily keep sand in their pockets to rub on their hands to combat perspiration.

"The guy was egging me on, and I don't like people when they egg me on," said McEnroe. "A guy like that comes out just to bother me. A really classy individual." McEnroe also was fined \$500 for remarks to an official and \$350 for hall abuse.

As for the 3-hour and 10-minute struggle against Waltke, McEnroe said: "I didn't expect to go five sets. He plays well against me and obviously he doesn't have much to lose. ... I'm glad I got through the match. I won't win the tournament if I keep playing like that."

Waltke, ranked 130th worldwide, hadn't survived the second round in nine previous tournaments this year and is best remembered for wearing long white trousers during play at the 1983 Wimbledon.

Not even so fortunate as McEnroe was eighth-seeded Jose-Luis Clerc of Argentina, who fell to Tim Wilkison, 6-2, 6-3, 7-6. Although a first-round loser in his previous five tournaments, Wilkison attacked the net even on his opponent's serve and, after yielding a 4-1 lead in the third set, captured the tie breaker, 7-4.

McEnroe extended his record to 11 consecutive wins in the U.S. Open, having won the title in 1979 and 1980, but has not played since he was forced to retire during a match in England in June. When she withdrew from Wimbledon the following week, she said she had suffered a stress fracture of a rib that caused

stabbing pains in her back. She has not played in a tournament since.

"I want to go out there and not worry about being injured," she said. "I'm only 20 and I'm very eager to come back. But I have to be patient. I'll be back."

Andrea Jaeger, the third seed, needed only 47 minutes to rout Betsy Nagelsen, 6-0, 6-2. Also advancing were No. 7 Sylvia Hanika of West Germany, No. 8 Hana Mandlikova of Czechoslovakia and No. 16 Kathy Jordan.

Jimmy Connors, the defending men's champion, was extended to four sets before downing Ramesh Krishnan of India, 6-2, 6-4, 3-6, 6-2. Vilas Guillardis, seeded 15th, won three match points in the fourth set and finally overcame Marcos Hocevar of Brazil, 3-6, 3-6, 6-3, 7-5, 6-4.

Guillermo Vilas of Argentina, the sixth seed, was an easy 6-2, 6-2, 6-2 victor over Eddie Edwards. Also advancing were ninth-seeded Jimmy Arias, No. 10 Jose Miguera of Spain, No. 11 Gene Hager, No. 14 Eliot Teltscher and No. 16 Bill Scanlon.

In a mild surprise, Eric Korita, who had turned pro only two days earlier, defeated Brian Trevis, 6-3, 4-6, 6-0, 6-4.

Sullied Sports Images Know No Borders

By Bill Shirley

Los Angeles Times Service

MOSCOW — Sports in the Soviet Union has a side other than the mass of statistics followed by the state and exalted by its press.

Following re-entry into the Olympic Games in 1982 after a 40-year hiatus, Soviet athletes have been caught cheating, fighting, drinking, taking drugs and all the other things athletes do in the West. Coaches who don't win, and officials who don't see that they win, are fired.

Soviet athletes are supposed to show the world and their own people that their way of life produces the strongest, the fastest and most graceful competitors. These elite citizens are supervised by the Department of Propaganda of the Communist Party's Central Committee.

In the last eight Olympics, Russians have won 833 medals, more than any nation. But still, games in this nation of 280 million sometimes are not what they are supposed to be.

Items gleaned from Soviet publications and other sources:

• During the fencing competition of the recent Spartakiad, the Soviet sports festival, two referees from the republics of Armenia and Georgia were disqualified for unspecified "deliberate mistakes."

• Last December, thousands of Russians ran in a 14-kilometer race (about 8.69 miles) along the banks of the Moscow River, starting a fisherman. Moscovites usually run only to stand in lines, so the fisherman wanted

to know, "Are they selling *defistiny* [goods in short supply] at the finish?" The race was held on National Running Day, but Western reporters said trade unions and the Communist Party had a job persuading their members to run. Among those who did, it was reported, there was "a marked lack of enthusiasm."

• Rowdy behavior and violence are not uncommon in stadiums. To guard against such outbreaks, Red Army soldiers often ring the arena. They were used by the thousands during the 1980 Olympic Games.

• Two years ago, in a move to reduce "hooliganism" on soccer fields and eliminate illicit payments to players, the size of the USSR's senior league was reduced. In one year, 153 players were banished, and 1,500 were suspended for dangerous play, insulting behavior and physical assaults on opponents and referees. Two 20-year-old players were banned for life. It was reported in the local press, for "betraying their national flag and besmirching the reputation of their team."

• As a result of mediocre performances in track and field in 1981 and 1982, head coach Nikolay Polikho and assistants Vitold Kreycher and Yuriy Tyurin were fired. Stanislav Zhukov, who coached many figure-skating champions, was canned recently for "unethical behavior."

• Boris Onischenko, a major in the Red Army and a "master of sport," was kicked out of the 1976 Olympic Games for cheating in fencing. Competing in the modern pentathlon, he concealed a piece of wire in his épée so

it could trigger the electronic scorer, even when he didn't touch his opponent.

• Tamara Press won both the shot put and discus at the Tokyo Olympics in 1964, and her sister, Irina, won the gold in the pentathlon. When women were first checked for sex characteristics in the late 1960s, the Russians withdrew the Press sisters without allowing them to be tested, and their names abruptly disappeared from the sports pages. A reporter was recently unable to find anyone who knows what happened to them.

• As late as 1979, Nadezhda Tkachenko, who won the gold in the pentathlon at the European championships, and Yevgeny Mironov, who finished second in the shot put, had to return their medals after tests showed positive for steroid drugs.

Headline in *Izvestiya*: "The Spartakiad Is in Earnest: Militia Expects Considerable More Traffic." Were the promoters happy about that turn of events? No. The state discouraged crowds from coming to town by setting up "outposts" on all roads leading to Moscow to watch for dirty cars and by sending out mobile testing units to nab vehicles out of tune or "malfunctioning." All transit traffic was advised to bypass Moscow, and motorists were warned that dirty or malfunctioning cars would not be allowed in town.

Such a warning is not uncommon here. Clean cars are usually ordered for all international events. But the announcement amused one citizen. "We have a conflicting set of interests," he said. "On one hand we are ordered to conserve water and on the other we are ordered to wash our cars."

'Skins, Falcons, Jets and Chargers Seem NFL Teams to Beat

Washington Post Service

WASHINGTON — The National Football League season will begin this weekend, with the Philadelphia Eagles playing the 49ers in San Francisco Saturday, a full slate of games Sunday and the Dallas Cowboys meeting the Redskins here Monday night.

Following is a preview of the 1983 season.

National Conference

East
This summer, Coach Tom Landry has been trying to create a "tougher" atmosphere in camp by encouraging his Dallas Cowboys to talk to him and to each other. That may be what's needed to push them past the Washington Redskins, a team already well built on communication and toughness.

These two rivals are the class of the NFC East. Now that Washington is the Super Bowl champion, Dallas must prove it is the better team. The "Skins" know they aren't invincible, but — with quarterback Joe Theismann, running back John Riggins, a redoubtable offensive line and a solid defense — they are much more efficient than Dallas, which last year made too many turnovers during an 8-4 season to play off to its capabilities.

Danny White remains the starting Cowboy quarterback. A fine group of receivers and a solid offensive line are the team's strengths. Its front four is growing old (all are over 30) and the linebacking is sensational. The key to the Cowboys could be Landry's attempt to veer away from his wonted computer-cool approach.

There are several NFL teams this year with quarterback duels. With the New York Giants, it's Scott Brunner vs. Phil Simms, and it's crucial to the team's future that whoever starts plays exceptionally well. Otherwise, the Giants (4-5 last year) will be hurt by a so-so offensive line and nonthreatening receivers. The defense should be top-notch, unless all-pro linebacker Lawrence Taylor lets down.

Keep an eye on St. Louis. The Cardinals (5-5) have improved steadily and quietly. There is more stability in the front office and a rising star in the backfield. The team's key to the playoffs could be the development of quarterback Neil Lomax, who was kept under a tight rein last season, his first as a starter.

Philadelphia also bears watching, but the 3-6 Eagles continue in their struggle to tie themselves after a 1980 Super Bowl team became an also-ran. Coach Marion Campbell has his work cut out as Dick Vermeil's replacement.

Central
Green Bay should have beaten Dallas in the playoffs last season

and advanced to the NFC title game. That 37-26 loss marks the turning point for Coach Bart Starr, who, coming off a 6-4-1 season, finally may have the Pack on the way back. But there are two uncertainties. The first is Starr himself. He can't waste receiver John Jefferson (27 receptions in only eight games) again. If he can use Jefferson and all-pro James Lofton equally well, the opposition will have real problems. The second imponderable is running back Eddie Lee Ivey. He stayed healthy last year, but if he's hurt there's not much behind him.

With Doug Williams in the USFL, the quarterback for 5-5 Tampa Bay will be Jack Thompson or retired Jerry Golsteyn. Thompson

has ability, although it wouldn't take much to outdo Williams' so-so 1982 performance. Otherwise, these are the same old Bucs — aggressive on defense, porous on the offensive line and unsettled in the backfield.

Bud Grant of Minnesota (6-5) has done more with less than any other coach in the league. Why should 1983 be different? He'll miss retired receiver Ahmad Rashad, but improvement from young Darin Nelson would help overworked Ted Brown at running back and would take some pressure off quarterback Tommy Kramer. No. 1 pick Joey Browner may be an immediate joy in the defensive secondary, but he can't alleviate the growing weakness at linebacker.

A mystery team? How about Chicago? If Coach Mike Ditka can motivate Walter Payton and straighten out his offensive line, quarterback Jim McMahon may have an impressive season. The 3-6 Bears will be more conventional on defense this season, a switch that will work if young linebackers like Mike Singletary and Otis Wilson continue to develop.

Detroit (4-6) is always rated higher than common sense dictates. Oh, they'll contend again, but there are too many morale problems and weaknesses. Eric Hipple probably will be the quarterback over Gary Danielson. The smartest thing either can do is hand off to Billy Sims. The secondary is in a shambles and the receiving isn't much better.

West
In his first summer as an NFL head coach, Atlanta's Dan Henning has had to contend with holdouts (Pro Bowl offensive linemen Mike Kenn and R.C. Thielmann). His attempts to upgrade the 5-5 Falcons have been slowed, but maybe not enough to prevent them from being a Super Bowl sleeper choice. The talent's there. It just needs



Cornerback Don McNeal only momentarily delayed John Riggins, en route to the touchdown that won the Super Bowl.

stern direction, stand-out seasons from quarterback Steve Bartkowski and running back William Andrews, the holdouts' return and a solid effort from a once-thriving defense.

If not Atlanta, why not New Orleans? Coach Bum Phillips has used the draft to rebuild the Saints, and the franchise (4-5 in 1982) finally is emerging after years of embarrassment. The defense, led by Ricky Jackson and Bruce Clark, in fine shape, but Phillips needs quarterback Ken Stabler to show his winning habits again. Otherwise, running back George Rogers again will have to shoulder the offensive load.

No one has forgotten about San Francisco. But any team that fell apart as fast as the 3-6 49ers after winning Super Bowl XVI is hard to gauge. Coach Bill Walsh dealt for seasoned running back Wendell Tyler, a legitimate 1,000-yard rusher. Joe Montana and Dwight Clark are a wonderful passing combo, but they'd benefit from a better offensive line. A comeback by a suddenly poor defense depends on the health of lineman Dwaine Board and the return to form of pass rusher Fred Dean. The secondary became ordinary last season, especially cornerback Ronnie Lott.

The 2-7 Los Angeles Rams might become competitive under new coach John Robinson. If rookie Eric Dickerson can stay in one piece, he will rival Tony Dorsett

and Billy Sims for running excitement. He'll make quarterback Vince Ferragamo's job easier, too, although it would help if the receivers were more than average. End Jack Youngblood remains — at 33 — the top defensive player.

American Conference
East
Fans of the New York Jets expect a place in the Super Bowl. Some pressure for Joe Walton, who succeeds Walt Michaels as coach. Walton is tough enough to stand it if the 8-4 Jets have problems, but that probably won't happen — not with fine offensive and defensive lines and out with quarterback Richard Todd and halfback Freeman McNeil. The special teams aren't as good as Walton would like and the 1983 draft won't help immediately. Still, it's a solid, veteran club, the most likely to challenge San Diego in the AFC.

Losing linebacker Larry Gordon (who died while jogging) and cornerback Don McNeal (Achilles tendon tear) could cripple a free-wheeling Miami defense that has trouble against power offenses — witness Riggins' bulging pass — into touchdown. Washington showed in that game that David Woodley remains an average quarterback; perhaps rookie Dan Marino will become a starter before long. Yet as long as Don Shula is

the coach, the 10-3 Dolphins will remain highly competitive.

With Chuck Knox moving to Seattle, Buffalo (4-5) is in transition. Coach Kay Stephenson will tinker with the offense, but whether he can cope with front office interference is something else. The Bills are not a happy club, mostly because of contract squabbles — halfback Joe Cribbs has already signed a future agreement with the USFL. Stephenson certainly has assets in receiver Jerry Butler, in quarterback Joe Ferguson and in one of the league's best offensive lines. It could be worse.

New England (5-5) is on the move, slightly, under Coach Ron Meyer, who believes in power football. That means they're a running team, which takes pressure off a defense that isn't ready for lots of on-field time. If quarterback Steve Grogan is consistent, if halfback Tony Collins holds up and if that defense can improve, the Patriots won't be pushovers.

Baltimore. What can be said about a team that botches a chance to get fair value for John Elway or couldn't sign No. 3 pick George Achia? Some way to go about improving from an 0-8-1 season. If Owner Robert Irsay would allow Coach Frank Kush and General Manager Ernie Accorsi to rebuild without interference, Colt fans might see a little hope. As it stands, a five-victory season would be a fine accomplishment.

Central
Cincinnati (7-3) was the class of the division until defensive end Ross Browner and fullback Pete Johnson were lost (drug suspensions) for the first four games. Quarterback Ken Anderson remains one of the best, and he has fine receivers in Cris Collinsworth, Isaac Curtis and Dan Ross. The defense is solid, if not spectacular. But what damage has been caused by the future USFL contracts signed by Ross and Collinsworth?

Coach Chuck Noll is changing long-held philosophies at 6-4 Pittsburgh, but what the Steelers need is a link to the past. A healthy Terry Bradshaw directing a newly diversified offense would have helped, but Bradshaw (elbow) was placed on the injured-reserve list late Tuesday. Franco Harris is only 293 yards away from moving ahead of O.J. Simpson to second place (behind Jim Brown) on the all-time rushing list.

Another quarterback squabble exists in Cleveland, where the 4-6 Browns have veteran Brian Sipe and young Paul McDonald. They also have a new one-back offense (halfback Mike Pruitt should excel), which means plenty of throwing by someone. But No. 1 draftee Ron Brown, who would have provided much-needed speed at receiver, decided to try for the Olympics. Liabilities: a weak pass rush, so-so

special teams and an unsteady secondary.

That leaves 1-8 Houston. It would help if Earl Campbell perked up. At his best, he is still the league's premier power back, but the Oilers are having problems deciding how to best use him and still develop a passing game. At quarterback will be either Archie Manning, who has had better days, or Gifford Nielsen, who may never have great ones. The secondary has been affected by off-field drug problems.

West
There are plenty of reasons not to pick San Diego as a Super Bowl contender. Teams that rely so heavily on offense and fall apart so easily on defense just don't win championships. Yet the Chargers have adapted better than anyone else to liberalized rules governing offense, and there's something about them that says forget logic and go with pizzazz. But will laboring defense that's short on linebackers and backs play well enough for the 7-4 Chargers to make a real run at the title? For once the franchise used the draft to help the defense, getting lineman Bill Ray Smith and cornerback Gill Bryant. They may be enough to allow Dan Fouts, Chuck Muncie, Kellen Winslow & Co. to go all the way this time.

Of course, the Chargers first must get by the Los Angeles Raiders (9-2). Raider hopes depend on quarterback Jim Plunkett, the eternal comeback kid. An accurate Plunkett, complemented by Marcus Allen's running and a defense led by Ted Hendricks, can be good enough. One problem: the offensive line is hurting.

In Denver, rookie quarterback John Elway's play in preseason games has done little to belie his star billing. If he keeps it up once the season begins, the Broncos should be much better than their 2-7 record last season. They have speed in back Gerald Williams, adequate receivers in Rick Upchurch, Steve Watson and a defense that has to be better than it showed last season, when it ranked 26th against passing.

ART BUCHWALD

Who Makes U.S. Policy?

WASHINGTON—A group of elite Eastern establishment government watchers was having lunch the other day, discussing one of our favorite subjects: "Who is really in charge of U.S. foreign policy?"

It was of particular concern to all of us, because the odds of President Reagan running again look better all the time.

We decided to do it by process of elimination. "We know it isn't anyone in the State Department," Bramhall said. "State's been out of it since Reagan moved into the White House."

"Haig was fired because he tried to interfere in foreign affairs, and George Shultz usually gets his information as to what the U.S. has done from The Washington Post."

"What about Secretary of Defense Casper Weinberger? He's an old pal of the president and has tremendous input in foreign policy."

"We can't discount him," Healy said. "But I don't think he's Mr. Big. I believe he is more concerned with getting as much military equipment as possible for the Defense Department. But he doesn't really care where we use it."

"It doesn't have to be a man," Zeigfried said. "It could be a woman."

"You mean Nancy Reagan?" "Not necessarily, though she certainly has the ear of the president. I was thinking of United Nations Ambassador Jeane Kirkpatrick. The president is very taken with all her ideas. Wouldn't it be wild if a woman was in charge of foreign policy?"

"Kirkpatrick could be the power behind the throne," Christmas said. "Yet I believe it's someone right in the White House."

"What about Vice President George Bush?"

"Let's be serious, guys. When has a vice president ever had anything to say about foreign policy?" Cannon said.

"There's Jim Baker, Mike Deaver and Ed Meese."

"They're too busy worrying about the president getting re-elected to get involved in foreign affairs. The only time they mix in is if they think a policy is going to affect votes in the U.S."

"Well, that leaves the president's national security adviser William Clark. He's a hardliner on the Soviet Union."

"He's too obvious," Trenchant said. "Besides, I just have a gut feeling he doesn't have the smarts to conceptualize foreign policy. His strength is carrying out orders."

"But whose orders?" I asked. "Everyone tried to think hard."

"Bill Casey of the CIA?" Vagrunt suggested.

"Is there someone in the kitchen cabinet that could be running things?"

"The kitchen cabinet doesn't exist anymore. They all went back to California after the election. Look, the foreign policy of the U.S., as it stands now, is to blame the Soviets for everything, but still sell them wheat. Show American power around the world, but don't get American soldiers involved. Give a bloody nose to Qaddafi, reward all our friends with military equipment by claiming they are not violating human rights, stall the arms sales until we get the Pershing missiles placed in Europe, make Castro the biggest threat to worldwide peace, and consult with our allies only after we've decided to do something that they might object to. Now who is behind all that?"

"This is just a crazy idea," Trenchant said. "But could Reagan himself be Mr. Big?"

"You mean the president of the United States?" I asked, flabbergasted.

"Why not? He's got the authority."

Bramhall said, "Reagan doesn't know anything about foreign affairs."

"So?"

The thought was so mind-boggling none of us could finish our salads.

Filming 'Under the Volcano' Under Mists of Popocatépetl

By Aljean Harnetz

New York Times Service

CUERNAVACA, Mexico —

It rains every afternoon, a polite rain that spatters the blue macaw in John Huston's garden without soaking through its feathers to the skin. The garden, like all of Cuernavaca, lies under the volcano. But none of the young movie-makers playing poker in John Huston's garden has seen Popocatépetl yet. It will be the dry season, next November, before the volcano unbuttons its shroud of mist and looms naked above the city day after day.

It is the volcano that has brought them all to Cuernavaca — brought the 77-year-old director and the 32-year-old producer who hoods his eyes behind dark glasses in even the dimmest light and the tough young man who, tomorrow, will run down the Mexican street with a camera strapped to his back and who is not, quietly and steadily, losing at poker.

They have been brought by the volcano and "Under the Volcano," the novel Malcolm Lowry wrote about Cuernavaca and the moral choice of his own drunkenness and the breakdown of values in the 20th century.

On the day after the poker game, John Huston will begin to make a movie of "Under the Volcano." The three actors who will transfer Malcolm Lowry's torment to film are not at the poker game. Albert Finney is a bridge player. Anthony Andrews has flown back to London for a funeral. And perhaps Jacqueline Bisset senses that there are poker games where women are not wanted.

Age has settled on Huston like the cloak of mist on the volcano. Always tall and thin, he has been refashioned by the years. His legs are spindly, his stomach rounded. The hunchman who could follow the hounds until dusk and then change into a dinner jacket and drink his guests under the table now punctuates each paragraph with a spasm of coughing.

A man, unlike a volcano, is not renewable. By the age of 47, Malcolm Lowry had drunk himself to death. John Huston will not shake off his emphysema when the mist melts from Popocatépetl next November.

There is an odd acknowledgment of this as the chips are stacked and the cards dealt. The men at the table rush to call him by name. "It's up to you, John," "He's out, John," "It's your deal, John."

It is only John Huston's fingers that fumble. The Academy Award-winning writer-director of 38 movies, including "The Treasure of the Sierra Madre," "The Maltese Falcon," and "The African Queen," loses a little money but not because he plays any worse than he has played Sunday after Sunday for the last eight years. It is the pigeons who lose the most — foreign journalists and Guy Gallo, the screenwriter of "Under the Volcano," who sits with burning eyes and smiles through gritted teeth as the last of his 100,000 pesos is swept into the pot.

Perhaps the pigeons are not bad players either, but simply not acclimated to John Huston's presence. "I felt like I had three or four Ping-Pong balls in my mouth at all times," was Jacqueline Bisset's summation of her terror at their meeting in mid-June in his house in Puerto Vallarta.

"The thing that makes one so frightened is that one has such a great desire to please him," she says. "Years ago, when I was a very young actress, I was very wary of his awesome presence, which carried a lot of potential danger because he was supremely in control. Now I find his gentleness very touching. His face is magnificent. There is no rejection or resistance to experience written anywhere on it."

"There's only one experience in life I'm aware of having rejected," John Huston says tartly. "Homosexuality."

It is Monday afternoon at 3 P.M. and he is being driven to the small town of Yautepac, where Malcolm Lowry's Cuernavaca of 1938 has been re-created by the respected Mexican painter Gunter Gerzso. Gerzso, who accept-

ed "Under the Volcano" despite his family's insistence that designing movies was beneath him, but says he would have accepted the job for no other director.

Huston is not above being flattered by being defied. But a man who has survived five marriages and open heart surgery is not about to turn sappy even when his hair is thin on top and his whisky has been replaced by a pillbox. By inference, John Huston continues to make movies after his 77th birthday because vitality has been bred into him.

Vitality and a love of risk. He spent his youth as the amateur lightweight boxing champion of California, an officer in the Mexican cavalry, a starving artist in Paris and London. The risks are simply different now. He was drawn to "Under the Volcano," he says, "by its excellence. Excellence — even when it's literary — gives you a standard."

"Like so many writers who seek immediate inspiration from their own lives, Lowry took everything and used it verbatim or made symbols of it. The script has to cut through the literary features of the book, through that great flow of overpowering and magnificent language."

"Under the Volcano," which takes place in a single day — in November 1938, is a book of internal dialogues in which the leading character is, by choice, isolated and drunk. The Consul is the most complicated character I've ever had in a film," Huston says. "He's like a Churchill gone bad, a great man with a flaw. Or is it his drunkenness a flaw or is it the primitives thought of epilepsy — a manifestation of divinity?"

It was Malcolm Lowry who first tried to make a movie of "Under the Volcano." According to Moritz Borman, one of the movie's three producers, "Lowry wrote a screenplay for Scott Fitzgerald's 'Tender is the Night' for MGM and hoped to write 'Under the Volcano' for the studio. They talked a lot, but MGM never optioned the book. In 1962, the ac-

tor Zachary Scott did. He died and, in 1965, his widow sold the rights to the Hakim brothers. They wanted Luis Buñuel to direct. He commissioned a screenplay. The Hakim didn't like so they fired Buñuel and hired Jules Dassin. Then Joseph Losey. When their rights lapsed, the Hakim filed a lawsuit against the estate which the estate won in 1973. Then the rights were sold to Luis Buñuel, who is out of the Latin American intellectual left. The script he commissioned made the Consul a decadent representative of a decaying colonial empire. He commissioned one treatment from Gabriel García Márquez, but he never made the movie."

Meanwhile, John Huston was being bombarded by scripts for "Under the Volcano." "I was elected by the cultists," he says. When Borman's partner, Wieland Schulz-Kiel, called two years ago, Huston growled, "I've heard about this project 150 times. Why not 151?"

Schulz-Kiel, a young German intellectual who fell in love with Lowry's book at the age of 16, got the rights from the Lowry estate 18 months ago. However, because Malcolm Lowry's widow was under the conservatorship of her 84-year-old sister, final court approval did not come until last March. By that time, a third producer, Michael Fitzgerald, was aboard.

Fitzgerald raised the necessary \$3 million — \$1.5 million from the Mexican government and the rest because Universal Classics agreed to distribute "Under the Volcano" in the United States

and 20th Century-Fox to distribute the movie abroad.

Huston's car threads its way into the central square of Yautepac. The square is lined with thousands of Mexicans gawking at the somber Day of the Dead created in the heat of August.

Guy Gallo stands on the sidelines. For five months he and Huston have taken a knife to their scripts, carving each draft ever leaner, struggling for "an immediacy that won't rely on allusion," Gallo says. "John's great talent is to get the best possible work he can from someone, using the precise necessary tactics. If it's encouragement, it's encouragement. If it's dismissal, it's dismissal — to the limit the moment will bear."

It is a complicated web of Albert Finney must take down this decorated street, complicated by the fact that a stray dog must follow Huston. Huston has ordered his production manager to find a mongrel. The dog is frightened and pathetically thin, a bitch with swollen teats who must have given birth a few days before she was found by the side of the road.

Finney has been letting her sleep at the foot of his bed for the last three days, hand feeding her to win her loyalty.

Drenched in sweat, the man who wears the camera is afraid to say that the dog has moved out of the frame and he needs to do the scene for the 12th time. "Don't be afraid," Huston says — patient, resigned. "If we need to do it again, we'll do it again."

It is only the beginning — the first day. John Huston has gone through this before. He will, he is sure, go through it again — and again.

Florida, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

PEOPLE

Sunken Schooner Rises On 4,600 Trash Bags

An old schooner that played peekaboo with onlookers as it was hoisted from the bottom of Los Angeles harbor only to sink again "up to stay," thanks to 4,600 inflated trash bags. The ups and downs of the 62-year-old, 96-foot Frisco Louis rivaled those of the stock market during salvage efforts Monday and Tuesday before victory was declared Tuesday night. Capt. Scott, who dreamed up the offbeat salvage job, dove back into the 3-foot-deep harbor Tuesday to flatten the last of 4,600 heavy-duty garbage bags with an air hose. The Frisco Louis, built in 1921, came to the United States from Denmark in 1969. Scott, 31, a Long Beach crane operator and salvage diver, traded his pickup truck and part of the debt for the schooner, which he vowed to make his home. He persuaded Mobil Chemical Co., Rochester, New York, to donate the heavy-duty bags. Scott plans to use the boat as a fishing barge. He says he'll move in late with Lisa, his wife of one month.

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick, will be charged with a crime removing a walrus tusk from Alaska state wildlife refuge. Attorney General Francis B. Breyer said that while removing a 24-inch tusk from a beach on Round Island on Aug. 15 violated terms of a permit that allowed Kennedy's visit to the site, the controlled refuge, the Massed sets Democrat had returned ivory to Alaska.

A retired man in Hollywood, who offered \$25,000 the return of a \$100,000 redeemable U.S. government bond representing his life savings, says a finder "nearly fell over" learning of the reward. Bob Weberg, 70, got the bond back Monday. The finder, Vincent Pans 73, of Hallandale, had been advising in local newspapers to locate the rightful owner. "I didn't ask me for the reward. I nearly fell over when I told him was willing to give him \$25,000. Weinberg said, 'Panama found a bond in a bank photocopying machine where Weinberg absentmindedly left it July 11."

Neither Senator Edward Kennedy nor his 16-year-old son, Patrick,